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Part IV—Section 4

CENTRAL ACTS AND ORDINANCES

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MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 1st August, 2019

The following Act of Parliament received the assent of the President on the 1st August, 2019, and is hereby re-published for general information:—

THE FINANCE (NO. 2) ACT, 2019

NO. 23 OF 2019

An Act to give effect to the financial proposals of the Central Government for the financial year 2019-2020.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Finance (No. 2) Act, 2019.

Short title and commencement

(2) Save as otherwise provided in this Act,—

(a) sections 2 to 69 shall be deemed to have come into force on the 1st day of April, 2019;

(b) sections 92 to 112 and section 114 shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

CHAPTER II

RATES OF INCOME-TAX

2. (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 2019, income-tax shall be charged at the rates specified in Part I of the First Schedule and such tax shall be increased by a surcharge, for the purposes of the Union, calculated in each case in the manner provided therein.

Income-tax

(2) In the cases to which Paragraph A of Part I of the First Schedule applies, where the assessee has, in the previous year, any net agricultural income exceeding five thousand rupees, in addition to total income, and the total income exceeds two lakh fifty thousand rupees, then,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first two lakh fifty thousand rupees of the total income but without being liable to tax], only for the purpose of charging income-tax in respect of the total income; and

(b) the income-tax chargeable shall be calculated as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased by a sum of two lakh fifty thousand rupees, and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income as so increased were the total income;

(iii) the amount of income-tax determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax in respect of the total income:

Provided that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (II) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "three lakh rupees" had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, referred to in item (III) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "five lakh rupees" had been substituted.

(3) In cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act) apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be:

Provided that the amount of income-tax computed in accordance with the provisions of section 111A or section 112 or section 112A of the Income-tax Act shall be increased by a surcharge, for the purposes of the Union, as provided in Paragraph A, B, C, D or E, as the case may be, of Part I of the First Schedule:

Provided further that in respect of any income chargeable to tax under section 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BA, 115BB, 115BBA, 115BBC, 115BBD, 115BBDA, 115BBF, 115BBG, 115E, 115JB or 115JC of the Income-tax Act, the amount of income-tax computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

(i) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax; and

(ii) having a total income exceeding one crore rupees, at the rate of fifteen per cent. of such income-tax;

(b) in the case of every co-operative society or firm or local authority, at the rate of twelve per cent. of such income-tax, where the total income exceeds one crore rupees;

(c) in the case of every domestic company,—

(i) at the rate of seven per cent. of such income-tax, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of twelve per cent. of such income-tax, where the total income exceeds ten crore rupees;

(d) in the case of every company, other than a domestic company,—

(i) at the rate of two per cent. of such income-tax, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such income-tax, where the total income exceeds ten crore rupees:

Provided also that in the case of persons mentioned in (a) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(i) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(ii) one crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of persons mentioned in (b) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as income-tax on such income and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees but does not exceed ten crore rupees, the total amount payable as income-tax on such income and surcharge thereon, shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds ten crore rupees, the total amount payable as income-tax on such income and surcharge thereon, shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees:

Provided also that in respect of any income chargeable to tax under clause (i) of sub-section (1) of section 115BB of the Income-tax Act, the amount of income-tax computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twenty-five per cent. of such income-tax.

(4) In cases in which tax has to be charged and paid under sub-section (2A) of section 92CE or section 115-O or section 115QA or sub-section (2) of section 115R or section 115TA or section 115TD of the Income-tax Act, the tax shall be charged and paid at the rates as specified in those sections and shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twelve per cent. of such tax.

(5) In cases in which tax has to be deducted under sections 193, 194, 194A, 194B, 194BB, 194D, 194LBA, 194LBB, 194LBC and 195 of the Income-tax Act, at the rates in force, the deductions shall be made at the rates specified in Part II of the First Schedule and shall be increased by a surcharge, for the purposes of the Union, calculated in cases wherever prescribed, in the manner provided therein.

(6) In cases in which tax has to be deducted under sections 192A, 194C, 194DA, 194E, 194EE, 194F, 194G, 194H, 194-I, 194-IA, 194-IB, 194-IC, 194J, 194LA, 194LB, 194LBA, 194LBB, 194LBC, 194LC, 194LD, 194M, 194N, 196B, 196C and 196D of the Income-tax Act, the deductions shall be made at the rates specified in those sections and shall be increased by a surcharge, for the purposes of the Union,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, being a non-resident, calculated,—

(i) at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees;

(ii) at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed two crore rupees;

(iii) at the rate of twenty-five per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds two crore rupees but does not exceed five crore rupees;

(iv) at the rate of thirty-seven per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds five crore rupees;

(b) in the case of every co-operative society or firm, being a non-resident, calculated at the rate of twelve per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(c) in the case of every company, other than a domestic company, calculated,—

(i) at the rate of two per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten crore rupees.

(7) In cases in which tax has to be collected under the proviso to section 194B of the Income-tax Act, the collection shall be made at the rates specified in Part II of the First Schedule, and shall be increased by a surcharge, for the purposes of the Union, calculated, in cases wherever prescribed, in the manner provided therein.

(8) In cases in which tax has to be collected under section 206C of the Income-tax Act, the collection shall be made at the rates specified in that section and shall be increased by a surcharge, for the purposes of the Union,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, being a non-resident, calculated,—

(i) at the rate of ten per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds fifty lakh rupees but does not exceed one crore rupees;

(ii) at the rate of fifteen per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees but does not exceed two crore rupees;

(iii) at the rate of twenty-five per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the collection exceeds two crore rupees but does not exceed five crore rupees;

(iv) at the rate of thirty-seven per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds five crore rupees;

(b) in the case of every co-operative society or firm, being a non-resident, calculated at the rate of twelve per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees;

(c) in the case of every company, other than a domestic company, calculated,—

(i) at the rate of two per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds ten crore rupees.

(9) Subject to the provisions of sub-section (10), in cases in which income-tax has to be charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the Income-tax Act or deducted from, or paid on, income chargeable under the head "Salaries" under section 192 of the said Act or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, "advance tax" shall be charged, deducted or computed at the rate or rates specified in Part III of the First Schedule and such tax shall be increased by a surcharge, for the purposes of the Union, calculated in such cases and in such manner as provided therein:

Provided that in cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act apply, "advance tax" shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be:

Provided further that the amount of "advance tax" computed in accordance with the provisions of section 111A or section 112 or section 112A of the Income-tax Act shall be increased by a surcharge, for the purposes of the Union, as provided in Paragraph A, B, C, D or E, as the case may be, of Part III of the First Schedule:

Provided also that in respect of any income chargeable to tax under section 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BA, 115BB, 115BBA, 115BBC, 115BBD, 115BBDA, 115BBF, 115BBG, 115E, 115JB or 115JC of the Income-tax Act, "advance tax" computed under the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

(i) at the rate of ten per cent. of such "advance tax", where the total income exceeds fifty lakh rupees but does not exceed one crore rupees;

(ii) at the rate of fifteen per cent. of such "advance tax", where the total income exceeds one crore rupees but does not exceed two crore rupees;

(iii) at the rate of twenty-five per cent. of such “advance tax”, where the total income exceeds two crore rupees but does not exceed five crore rupees;

(iv) at the rate of thirty-seven per cent. of such “advance tax”, where the total income exceeds five crore rupees;

(b) in the case of every co-operative society or firm or local authority at the rate of twelve per cent. of such “advance tax”, where the total income exceeds one crore rupees;

(c) in the case of every domestic company,—

(i) at the rate of seven per cent. of such “advance tax”, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of twelve per cent. of such “advance tax”, where the total income exceeds ten crore rupees;

(d) in the case of every company, other than a domestic company,—

(i) at the rate of two per cent. of such “advance tax”, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such “advance tax”, where the total income exceeds ten crore rupees:

Provided also that in the case of persons mentioned in (a) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(a) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon shall not exceed the total amount payable as “advance tax” on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(b) one crore rupees but does not exceed two crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon shall not exceed the total amount payable as “advance tax” on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees;

(c) two crore rupees but does not exceed five crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon shall not exceed the total amount payable as “advance tax” on a total income of two crore rupees by more than the amount of income that exceeds two crore rupees;

(d) five crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon shall not exceed the total amount payable as “advance tax” on a total income of five crore rupees by more than the amount of income that exceeds five crore rupees:

Provided also that in the case of persons mentioned in (b) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon shall not exceed the total amount payable as “advance tax” on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees but does not exceed ten crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon, shall not exceed the total amount payable as "advance tax" on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds ten crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon, shall not exceed the total amount payable as "advance tax" and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees:

Provided also that in respect of any income chargeable to tax under clause (i) of sub-section (1) of section 115BBE of the Income-tax Act, the "advance tax" computed under the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twenty-five per cent. of such "advance tax".

(10) In cases to which Paragraph A of Part III of the First Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any net agricultural income exceeding five thousand rupees, in addition to total income and the total income exceeds two lakh fifty thousand rupees, then, in charging income-tax under sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or in computing the "advance tax" payable under Chapter XVII-C of the said Act, at the rate or rates in force,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first two lakh fifty thousand rupees of the total income but without being liable to tax], only for the purpose of charging or computing such income-tax or, as the case may be, "advance tax" in respect of the total income; and

(b) such income-tax or, as the case may be, "advance tax" shall be so charged or computed as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax or "advance tax" shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased by a sum of two lakh fifty thousand rupees, and the amount of income-tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income were the total income;

(iii) the amount of income-tax or "advance tax" determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax or, as the case may be, "advance tax" determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income:

Provided that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (II) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "three lakh rupees" had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, referred to in item (III) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "five lakh rupees" had been substituted:

Provided also that the amount of income-tax or "advance tax" so arrived at, shall be increased by a surcharge for the purposes of the Union, calculated in each case, in the manner provided therein.

(11) The amount of income-tax as specified in sub-sections (1) to (3) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge, for the purposes of the Union, to be called the "Health and Education Cess on income-tax", calculated at the rate of four per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance quality health services and universalised quality basic education and secondary and higher education.

(12) The amount of income-tax as specified in sub-sections (4) to (10) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge, for the purposes of the Union, to be called the "Health and Education Cess on income-tax", calculated at the rate of four per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance quality health services and universalised quality basic education and secondary and higher education:

Provided that nothing contained in this sub-section shall apply to cases in which tax is to be deducted or collected under the sections of the Income-tax Act mentioned in sub-sections (5), (6), (7) and (8), if the income subjected to deduction of tax at source or collection of tax at source is paid to a domestic company and any other person who is resident in India.

(13) For the purposes of this section and the First Schedule,—

(a) "domestic company" means an Indian company or any other company which, in respect of its income liable to income-tax under the Income-tax Act, for the assessment year commencing on the 1st day of April, 2019, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income;

(b) "insurance commission" means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or revival of policies of insurance);

(c) "net agricultural income" in relation to a person, means the total amount of agricultural income, from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule;

(d) all other words and expressions used in this section and the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings, respectively, assigned to them in that Act.

CHAPTER III

DIRECT TAXES

Income-tax

- 3.** In section 2 of the Income-tax Act, in clause (19AA), in sub-clause (iii), the following proviso shall be inserted with effect from the 1st day of April, 2020, namely:—

Amendment of
section 2.

“Provided that the provisions of this sub-clause shall not apply where the resulting company records the value of the property and the liabilities of the undertaking or undertakings at a value different from the value appearing in the books of account of the demerged company, immediately before the demerger, in compliance to the Indian Accounting Standards specified in Annexure to the Companies (Indian Accounting Standards) Rules, 2015;”.

- 4.** In section 9 of the Income-tax Act, in sub-section (1), after clause (vii), the following clause shall be inserted with effect from the 1st day of April, 2020, namely:—

Amendment of
section 9.

“(viii) income arising outside India, being any sum of money referred to in sub-clause (xviia) of clause (24) of section 2, paid on or after the 5th day of July, 2019 by a person resident in India to a non-resident, not being a company, or to a foreign company.”.

- 5.** In section 9A of the Income-tax Act, in sub-section (3),—

Amendment of
section 9A.

(i) in clause (j), in the first proviso, for the words “at the end of such previous year”, the words “at the end of a period of six months from the last day of the month of its establishment or incorporation, or at the end of such previous year, whichever is later” shall be substituted;

(ii) in clause (m), for the words “the arm’s length price of the said activity”, the words “the amount calculated in such manner as may be prescribed” shall be substituted.

- 6.** In section 10 of the Income-tax Act,—

Amendment of
section 10.

- (I) after clause (4B), the following clause shall be inserted, namely:—

“(4C) any income by way of interest payable to a non-resident, not being a company, or to a foreign company, by any Indian company or business trust in respect of monies borrowed from a source outside India by way of issue of rupee denominated bond, as referred to in clause (ia) of sub-section (2) of section 194LC, during the period beginning from the 17th day of September, 2018 and ending on the 31st day of March, 2019;”;

(II) after clause (4C) as so inserted, the following shall be inserted with effect from 1st day of April, 2020, namely:—

‘(4D) any income accrued or arisen to, or received by a specified fund as a result of transfer of capital asset referred to in clause (viiab) or section 47, on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in convertible foreign exchange, to the extent such income accrued or arisen to, or is received in respect of units held by a non-resident.

Explanation.—For the purposes of this clause, the expression—

(a) “convertible foreign exchange” means foreign exchange which is for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purposes of the Foreign Exchange Management Act, 1999 and the rules made thereunder;

(b) "manager" shall have the meaning assigned to it in clause (q) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992;

15 of 1992

(c) "specified fund" means a fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate,—

(i) which has been granted a certificate of registration as a Category III Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992;

15 of 1992

(ii) which is located in any International Financial Services Centre;

(iii) of which all the units are held by non-residents other than unit held by a sponsor or manager;

(d) "sponsor" shall have the meaning assigned to it in clause (w) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992;

15 of 1992

(e) "trust" means a trust established under the Indian Trusts Act, 1882 or under any other law for the time being in force;

2 of 1882

(f) "unit" means beneficial interest of an investor in the fund and shall include shares or partnership interest;

(III) with effect from the 1st day of April, 2020,—

(a) in clause (12A), for the words "forty per cent.", the words "sixty per cent." shall be substituted;

(b) in clause (15), after sub-clause (viii), the following sub-clause shall be inserted, namely:—

'(ix) any income by way of interest payable to a non-resident by a unit located in an International Financial Services Centre in respect of monies borrowed by it on or after the 1st day of September, 2019.

Explanation.—For the purposes of this sub-clause,—

(a) "International Financial Services Centre" shall have the meaning assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005;

28 of 2005

(b) "unit" shall have the meaning assigned to it in clause (zc) of section 2 of the Special Economic Zones Act, 2005;'

(IV) in clause (23C), with effect from the 1st day of September, 2019,—

28 of 2005

(a) in the second proviso, for the words "and the prescribed authority", the words "and the compliance of such requirements under any other law for the time being in force by such fund or trust or institution or any university or other educational institution or any hospital or other medical institutions, as the case may be, as are material for the purpose of achieving its objects and the prescribed authority," shall be substituted;

(b) in the fifteenth proviso, for the portion beginning with "(ii) the activities of such fund" and ending with "was notified or approved.", the following shall be substituted, namely:—

"(ii) the activities of such fund or institution or trust or any university or other educational institution or any hospital or other medical institution—

(A) are not genuine; or

(B) are not being carried out in accordance with all or any of the conditions subject to which it was notified or approved; or

(iii) such fund or institution or trust or any university or other educational institution or any hospital or other medical institution has not complied with the requirement of any other law for the time being in force, and the order, direction or decree, by whatever name called, holding that such non-compliance has occurred, has either not been disputed or has attained finality,';

(V) in clause (34A), the brackets and words "(not being listed on a recognised stock exchange)" shall be omitted with effect from the 5th day of July, 2019.

7. In section 12AA of the Income-tax Act, with effect from the 1st day of September, 2019,—

Amendment
of section
12AA.

(I) in sub-section (1),—

(i) for clause (a), the following clause shall be substituted, namely:—

"(a) call for such documents or information from the trust or institution as he thinks necessary in order to satisfy himself about,—

(i) the genuineness of activities of the trust or institution; and

(ii) the compliance of such requirements of any other law for the time being in force by the trust or institution as are material for the purpose of achieving its objects,

and may also make such inquiries as he may deem necessary in this behalf; and";

(ii) in clause (b), after the words "genuineness of its activities", the words, brackets, figures and letter "as required under sub-clause (i) of clause (a) and compliance of the requirements under sub-clause (ii) of the said clause" shall be inserted;

(II) in sub-section (4), for the portion beginning with the words "the activities of the trust or the institution" and ending with the words "cancel the registration of such trust or institution", the following shall be substituted, namely:—

"(a) the activities of the trust or the institution are being carried out in a manner that the provisions of sections 11 and 12 do not apply to exclude either whole or any part of the income of such trust or institution due to operation of sub-section (1) of section 13; or

(b) the trust or institution has not complied with the requirement of any other law, as referred to in sub-clause (ii) of clause (a) of sub-section (1), and the order, direction or decree, by whatever name called, holding that such non-compliance has occurred, has either not been disputed or has attained finality, then, the Principal Commissioner or the Commissioner may, by an order in writing, cancel the registration of such trust or institution".

8. In section 13A of the Income-tax Act, in the first proviso, in clause (d), for the words "bank account", the words "bank account or through such other electronic mode as may be prescribed" shall be substituted with effect from the 1st day of April, 2020.

Amendment
of section
13A.

9. In section 35AD of the Income-tax Act, in sub-section (8), in clause (f), for the words "bank account", the words "bank account or through such other electronic mode as may be prescribed" shall be substituted with effect from the 1st day of April, 2020.

Amendment
of section
35AD.

10. In section 40 of the Income-tax Act, in clause (a), with effect from the 1st day of April, 2020,—

Amendment
of section
40.

(a) in sub-clause (i), after the proviso, the following proviso shall be inserted, namely:—

"Provided further that where an assessee fails to deduct the whole or any part of the tax in accordance with the provisions of Chapter XVII-B on any such sum but is not deemed to be an assessee in default under the first proviso to sub-section (1) of section 201, then, for the purposes of this sub-clause, it shall be deemed that the assessee has deducted and paid the tax on such sum on the date of furnishing of return of income by the payee referred to in the said proviso;"

Amendment of
section 40A

(b) in sub-clause (ia), in the second proviso, the word "resident" shall be omitted.

11. In section 40A of the Income-tax Act, with effect from the 1st day of April, 2020,—

(i) for the words "bank account" wherever they occur, the words "bank account or through such other electronic mode as may be prescribed" shall be substituted;

(ii) in sub-section (4), after the words "such cheque or draft or electronic clearing system", the words "or such other electronic mode as may be prescribed" shall be inserted.

Amendment of
section 43

12. In section 43 of the Income-tax Act, in clause (1), in the second proviso, for the words "bank account", the words "bank account or through such other electronic mode as may be prescribed" shall be substituted with effect from the 1st day of April, 2020.

Amendment of
section 43B.

13. In section 43B of the Income-tax Act, with effect from the 1st day of April, 2020,—

(i) after clause (d), the following clause shall be inserted, namely:—

"(da) any sum payable by the assessee as interest on any loan or borrowing from a deposit taking non-banking financial company or systemically important non-deposit taking non-banking financial company, in accordance with the terms and conditions of the agreement governing such loan or borrowing, or";

(ii) after Explanation 3A, the following Explanation shall be inserted, namely:—

"Explanation 3AA.—For the removal of doubts, it is hereby declared that where a deduction in respect of any sum referred to in clause (da) is allowed in computing the income referred to in section 28, of the previous year (being a previous year relevant to the assessment year commencing on the 1st day of April, 2019, or any earlier assessment year) in which the liability to pay such sum was incurred by the assessee, the assessee shall not be entitled to any deduction under this section in respect of such sum in computing the income of the previous year in which the sum is actually paid by him.";

(iii) after Explanation 3C, the following Explanation shall be inserted, namely:—

"Explanation 3CA.—For the removal of doubts, it is hereby declared that a deduction of any sum, being interest payable under clause (da), shall be allowed if such interest has been actually paid and any interest referred to in that clause which has been converted into a loan or borrowing shall not be deemed to have been actually paid.";

(iv) in Explanation 4, after clause (d), the following clauses shall be inserted, namely:—

'(e) "deposit taking non-banking financial company" means a non-banking financial company which is accepting or holding public deposits and is registered with the Reserve Bank of India under the provisions of the Reserve Bank of India Act, 1934;

2 of 1934. (f) “non-banking financial company” shall have the meaning assigned to it in clause (f) of section 45-I of the Reserve Bank of India Act, 1934;

2 of 1934. (g) “systemically important non-deposit taking non-banking financial company” means a non-banking financial company which is not accepting or holding public deposits and having total assets of not less than five hundred crore rupees as per the last audited balance sheet and is registered with the Reserve Bank of India under the provisions of the Reserve Bank of India Act, 1934.”.

14. In section 43CA of the Income-tax Act, in sub-section (4), for the words “bank account”, the words “bank account or through such other electronic mode as may be prescribed” shall be substituted with effect from the 1st day of April, 2020. Amendment of section 43CA.

15. In section 43D of the Income-tax Act, with effect from the 1st day of April, 2020,— Amendment of section 43D.

(i) in clause (a), after the words “State industrial investment corporation”, the words “or a deposit taking non-banking financial company or a systemically important non-deposit taking non-banking financial company” shall be inserted;

(ii) in the long line, after the words “State industrial investment corporation or”, the words “a deposit taking non-banking financial company or a systemically important non-deposit taking non-banking financial company or” shall be inserted;

(iii) in the *Explanation*, after clause (g), the following clause shall be inserted, namely:—

‘(h) the expressions “deposit taking non-banking financial company”, “non-banking financial company” and “systemically important non-deposit taking non-banking financial company” shall have the meanings respectively assigned to them in clauses (e), (f) and (g) of *Explanation* 4 to section 43B.’.

16. In section 44AD of the Income-tax Act, in sub-section (1), in the proviso, for the words “bank account”, the words “bank account or through such other electronic mode as may be prescribed” shall be substituted with effect from the 1st day of April, 2020. Amendment of section 44AD.

17. In section 47 of the Income-tax Act, in clause (viiab), with effect from the 1st day of April, 2020,— Amendment of section 47.

(A) for sub-clause (c), the following sub-clauses shall be substituted, namely:—

“(c) derivative; or

(d) such other securities as may be notified by the Central Government in this behalf;’;

(B) in the *Explanation*, after clause (c), the following clause shall be inserted, namely:—

‘(d) “securities” shall have the meaning assigned to it in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956;’.

42 of 1956.

18. In section 50C of the Income-tax Act, in sub-section (1), in the second proviso, for the words “bank account”, the words “bank account or through such other electronic mode as may be prescribed” shall be substituted with effect from the 1st day of April, 2020. Amendment of section 50C.

19. In section 50CA of the Income-tax Act, before the *Explanation*, the following proviso shall be inserted with effect from the 1st day of April, 2020, namely:— Amendment of section 50CA.

“Provided that the provisions of this section shall not apply to any consideration received or accruing as a result of transfer by such class of persons and subject to such conditions as may be prescribed.”.

Amendment
of section
54GB.

20. In section 54GB of the Income-tax Act, with effect from the 1st day of April, 2020,—

(i) in sub-section (4), the following proviso shall be inserted, namely:—

‘Provided that in case of a new asset, being computer or computer software, acquired by an eligible start-up referred to in the proviso to clause (d) of sub-section (6), the provisions of this sub-section shall have effect as if for the words “five years”, the words “three years” had been substituted.’;

(ii) in sub-section (5), in the proviso, for the figures “2019”, the figures “2021” shall be substituted;

(iii) in sub-section (6), in clause (b), in sub-clause (iii), for the word “fifty” at both the places where it occurs, the word “twenty-five” shall be substituted.

Amendment
of section 56.

21. In section 56 of the Income-tax Act, in sub-section (2),—

(i) in clause (viib), with effect from the 1st day of April, 2020,—

(a) in the proviso, in clause (i), for the words “venture capital fund”, the words “venture capital fund or a specified fund” shall be substituted;

(b) after the proviso, the following proviso shall be inserted, namely:—

“Provided further that where the provisions of this clause have not been applied to a company on account of fulfilment of conditions specified in the notification issued under clause (ii) of the first proviso and such company fails to comply with any of those conditions, then, any consideration received for issue of share that exceeds the fair market value of such share shall be deemed to be the income of that company chargeable to income-tax for the previous year in which such failure has taken place and, it shall also be deemed that the company has under reported the income in consequence of the misreporting referred to in sub-section (8) and sub-section (9) of section 270A for the said previous year.”;

(c) in the *Explanation*, after clause (a), the following clauses shall be inserted, namely:—

“(aa) “specified fund” means a fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate which has been granted a certificate of registration as a Category I or a Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012 made under the Securities and Exchange Board of India Act, 1992;

15 of 1992.

“(ab) “trust” means a trust established under the Indian Trusts Act, 1882 or under any other law for the time being in force;’;

2 of 1882.

(ii) in clause (viii), for the words, brackets, letters and figures “clause (b) of section 145A”, the words, brackets, figures and letter “sub-section (I) of section 145B” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(iii) in clause (x),—

(A) in sub-clause (b), in the second proviso, for the words “bank account”, the words “bank account or through such other electronic mode as may be prescribed” shall be substituted with effect from the 1st day of April, 2020;

(B) in the proviso, after clause (X), the following clause shall be inserted with effect from the 1st day of April, 2020, namely:—

“(XI) from such class of persons and subject to such conditions, as may be prescribed.”.

22. For section 79 of the Income-tax Act, the following section shall be substituted with effect from the 1st day of April, 2020, namely:—

Substitution of section 79.

‘79. (1) Notwithstanding anything contained in this Chapter, where a change in shareholding has taken place during the previous year in the case of a company, not being a company in which the public are substantially interested, no loss incurred in any year prior to the previous year shall be carried forward and set off against the income of the previous year, unless on the last day of the previous year, the shares of the company carrying not less than fifty-one per cent. of the voting power were beneficially held by persons who beneficially held shares of the company carrying not less than fifty-one per cent. of the voting power on the last day of the year or years in which the loss was incurred:

Carry forward and set off of losses in case of certain companies.

Provided that even if the said condition is not satisfied in case of an eligible start up as referred to in section 80-IAC, the loss incurred in any year prior to the previous year shall be allowed to be carried forward and set off against the income of the previous year if all the shareholders of such company who held shares carrying voting power on the last day of the year or years in which the loss was incurred, continue to hold those shares on the last day of such previous year and such loss has been incurred during the period of seven years beginning from the year in which such company is incorporated.

(2) Nothing contained in sub-section (1) shall apply,—

(a) to a case where a change in the said voting power and shareholding takes place in a previous year consequent upon the death of a shareholder or on account of transfer of shares by way of gift to any relative of the shareholder making such gift;

(b) to any change in the shareholding of an Indian company which is a subsidiary of a foreign company as a result of amalgamation or demerger of a foreign company subject to the condition that fifty-one per cent. shareholders of amalgamating or demerged foreign company continue to be the shareholders of the amalgamated or the resulting foreign company;

(c) to a company where a change in the shareholding takes place in a previous year pursuant to a resolution plan approved under the Insolvency and Bankruptcy Code, 2016, after affording a reasonable opportunity of being heard to the jurisdictional Principal Commissioner or Commissioner;

(d) to a company, and its subsidiary and the subsidiary of such subsidiary, where,—

31 of 2016.

18 of 2013.

18 of 2013.

(i) the Tribunal, on an application moved by the Central Government under section 241 of the Companies Act, 2013, has suspended the Board of Directors of such company and has appointed new directors nominated by the Central Government, under section 242 of the said Act; and

(ii) a change in shareholding of such company, and its subsidiary and the subsidiary of such subsidiary, has taken place in a previous year pursuant to a resolution plan approved by the Tribunal under section 242 of the Companies Act, 2013 after affording a reasonable opportunity of being heard to the jurisdictional Principal Commissioner or Commissioner.

Explanation.—For the purposes of this section,—

(i) a company shall be a subsidiary of another company, if such other company holds more than half in nominal value of the equity share capital of the company;

(ii) “Tribunal” shall have the meaning assigned to it in clause (90) of section 2 of the Companies Act, 2013.’

18 of 2013.

Amendment
of section
80C.

23. In section 80C of the Income-tax Act, in sub-section (2), after clause (xxiv), the following clause shall be inserted with effect from the 1st day of April, 2020, namely:—

‘(xxv) being an employee of the Central Government, as a contribution to a specified account of the pension scheme referred to in section 80CCD—

(a) for a fixed period of not less than three years; and

(b) which is in accordance with the scheme as may be notified by the Central Government in the Official Gazette for the purposes of this clause.

Explanation.—For the purposes of this clause, “specified account” means an additional account referred to in sub-section (3) of section 20 of the Pension Fund Regulatory and Development Authority Act, 2013.’

23 of 2013.

Amendment
of section
80CCD.

24. In section 80CCD of the Income-tax Act, in sub-section (2), for the words “does not exceed ten per cent. of his salary in the previous year”, the words, brackets and letters “does not exceed—

(a) fourteen per cent., where such contribution is made by the Central Government;

(b) ten per cent., where such contribution is made by any other employer,

of his salary in the previous year” shall be substituted with effect from the 1st day of April, 2020.

Insertion of new
sections 80EEA
and 80EEB.

25. After section 80EE of the Income-tax Act, the following sections shall be inserted with effect from the 1st day of April, 2020, namely:—

‘80EEA. (1) In computing the total income of an assessee, being an individual not eligible to claim deduction under section 80EE, there shall be deducted, in accordance with and subject to the provisions of this section, interest payable on loan taken by him from any financial institution for the purpose of acquisition of a residential house property.

(2) The deduction under sub-section (1) shall not exceed one lakh and fifty thousand rupees and shall be allowed in computing the total income of the individual for the assessment year beginning on the 1st day of April, 2020 and subsequent assessment years.

(3) The deduction under sub-section (1) shall be subject to the following conditions, namely:—

(i) the loan has been sanctioned by the financial institution during the period beginning on the 1st day of April, 2019 and ending on the 31st day of March, 2020;

(ii) the stamp duty value of residential house property does not exceed forty-five lakh rupees;

(iii) the assessee does not own any residential house property on the date of sanction of loan.

(4) Where a deduction under this section is allowed for any interest referred to in sub-section (1), deduction shall not be allowed in respect of such interest under any other provision of this Act for the same or any other assessment year.

(5) For the purposes of this section,—

(a) the expression “financial institution” shall have the meaning assigned to it in clause (a) of sub-section (5) of section 80EE;

(b) the expression “stamp duty value” means value adopted or assessed or assessable by any authority of the Central Government or a State Government for the purpose of payment of stamp duty in respect of an immovable property.

Deduction in
respect of
interest on
loan taken for
certain house
property.

80EEB. (1) In computing the total income of an assessee, being an individual, there shall be deducted, in accordance with and subject to the provisions of this section, interest payable on loan taken by him from any financial institution for the purpose of purchase of an electric vehicle.

Deduction in respect of purchase of electric vehicle.

(2) The deduction under sub-section (1) shall not exceed one lakh and fifty thousand rupees and shall be allowed in computing the total income of the individual for the assessment year beginning on the 1st day of April, 2020 and subsequent assessment years.

(3) The deduction under sub-section (1) shall be subject to the condition that the loan has been sanctioned by the financial institution during the period beginning on the 1st day of April, 2019 and ending on the 31st day of March, 2023.

(4) Where a deduction under this section is allowed for any interest referred to in sub-section (1), deduction shall not be allowed in respect of such interest under any other provision of this Act for the same or any other assessment year.

(5) For the purposes of this section,—

(a) “electric vehicle” means a vehicle which is powered exclusively by an electric motor whose traction energy is supplied exclusively by traction battery installed in the vehicle and has such electric regenerative braking system, which during braking provides for the conversion of vehicle kinetic energy into electrical energy;

(b) “financial institution” means a banking company to which the Banking Regulation Act, 1949 applies, or any bank or banking institution referred to in section 51 of that Act and includes any deposit taking non-banking financial company or a systemically important non-deposit taking non-banking financial company as defined in clauses (e) and (g) of *Explanation 4* to section 43B.”.

10 of 1949.

26. In section 80-IBA of the Income-tax Act, with effect from the 1st day of April, 2020,—

Amendment of section 80-IBA.

(A) in sub-section (2), after clause (i), the following proviso shall be inserted, namely:—

‘Provided that for the projects approved on or after the 1st day of September, 2019, the provisions of this sub-section shall have effect as if for clauses (d) to (i), the following clauses had been substituted, namely:—

“(d) the project is on a plot of land measuring not less than—

(i) one thousand square metres, where such project is located within the metropolitan cities of Bengaluru, Chennai, Delhi National Capital Region (limited to Delhi, Noida, Greater Noida, Ghaziabad, Gurugram, Faridabad), Hyderabad, Kolkata and Mumbai (whole of Mumbai Metropolitan Region); or

(ii) two thousand square metres, where such project is located in any other place;

(e) the project is the only housing project on the plot of land as specified in clause (d);

(f) the carpet area of the residential unit comprised in the housing project does not exceed—

(i) sixty square metres, where such project is located within the metropolitan cities of Bengaluru, Chennai, Delhi National Capital Region (limited to Delhi, Noida, Greater Noida, Ghaziabad, Gurugram, Faridabad), Hyderabad, Kolkata and Mumbai (whole of Mumbai Metropolitan Region); or

(ii) ninety square metres, where such project is located in any other place;

(g) the stamp duty value of a residential unit in the housing project does not exceed forty-five lakh rupees;

(h) where a residential unit in the housing project is allotted to an individual, no other residential unit in the housing project shall be allotted to the individual or the spouse or the minor children of such individual;

(i) the project utilises—

(I) not less than ninety per cent. of the floor area ratio permissible in respect of the plot of land under the rules to be made by the Central Government or the State Government or the local authority, as the case may be, where such project is located within the metropolitan cities of Bengaluru, Chennai, Delhi National Capital Region (limited to Delhi, Noida, Greater Noida, Ghaziabad, Gurugram, Faridabad), Hyderabad, Kolkata and Mumbai (whole of Mumbai Metropolitan Region); or

(II) not less than eighty per cent. of such floor area ratio where such project is located in any place other than the place referred to in sub-clause (I); and

(j) the assessee maintains separate books of account in respect of the housing project.”;.

(B) in sub-section (6), after clause (e), the following clause shall be inserted, namely:—

‘(f) “stamp duty value” means the value adopted or assessed or assessable by any authority of the Central Government or a State Government for the purpose of payment of stamp duty in respect of an immovable property.’

27. In section 80JAA of the Income-tax Act, in the *Explanation*, in clause (i), in the first proviso, in clause (b), for the words “bank account”, the words “bank account or through such other electronic mode as may be prescribed” shall be substituted with effect from the 1st day of April, 2020.

28. In section 80LA of the Income-tax Act, with effect from the 1st day of April, 2020,—

(i) for sub-section (I), the following sub-sections shall be substituted, namely:—

“(I) Where the gross total income of an assessee, being a scheduled bank, or, any bank incorporated by or under the laws of a country outside India; and having an Offshore Banking Unit in a Special Economic Zone, includes any income referred to in sub-section (2), there shall be allowed, in accordance with and subject to the provisions of this section, a deduction from such income, of an amount equal to—

(a) one hundred per cent. of such income for five consecutive assessment years beginning with the assessment year relevant to the previous year in which the permission, under clause (a) of sub-section (I) of section 23 of the Banking Regulation Act, 1949 or permission or registration under the Securities and Exchange Board of India Act, 1992 or any other relevant law was obtained, and thereafter;

(b) fifty per cent. of such income for five consecutive assessment years.

(IA) Where the gross total income of an assessee, being a Unit of an International Financial Services Centre, includes any income referred to in sub-section (2), there shall be allowed, in accordance with and subject to the

Amendment
of section
80JAA.

Amendment
of section
80LA.

10 of 1949.

15 of 1992.

provisions of this section, a deduction from such income, of an amount equal to one hundred per cent. of such income for any ten consecutive assessment years, at the option of the assessee, out of fifteen years, beginning with the assessment year relevant to the previous year in which the permission, under clause (a) of sub-section (I) of section 23 of the Banking Regulation Act, 1949 or permission or registration under the Securities and Exchange Board of India Act, 1992 or any other relevant law was obtained.”;

(ii) in sub-section (2), in the opening portion, for the word, brackets and figure “sub-section (I)”, the words, brackets, figures and letter “sub-section (I) and sub-section (IA)” shall be substituted.

29. In section 92CD of the Income-tax Act, with effect from the 1st day of September, 2019,—

Amendment
of section
92CD.

(a) in sub-section (3), for the words “proceed to assess or reassess or recompute the total income of the relevant assessment year”, the words “pass an order modifying the total income of the relevant assessment year determined in such assessment or reassessment, as the case may be,” shall be substituted;

(b) in sub-section (5), in clause (a), the words “of assessment, reassessment or recomputation of total income” shall be omitted.

30. In section 92CE of the Income-tax Act,—

Amendment
of section
92CE.

(a) in sub-section (I),—

(I) in clause (iii), for the word, figures and letters “section 92CC”, the words, figures and letters “section 92CC, on or after the 1st day of April, 2017,” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2018;

(II) in the proviso, in clause (i), for the words “one crore rupees; and”, the words “one crore rupees; or” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2018;

(III) after the proviso, the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2018, namely:—

“Provided further that no refund of taxes paid, if any, by virtue of provisions of this sub-section as they stood immediately before their amendment by the Finance (No.2) Act, 2019 shall be claimed and allowed.”;

(b) in sub-section (2),—

(i) for the words “the excess money which”, the words “the excess money or part thereof, as the case may be, which” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2018;

(ii) the following *Explanation* shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2018, namely:—

“*Explanation.*—For the removal of doubts, it is hereby clarified that the excess money or part thereof may be repatriated from any of the associated enterprises of the assessee which is not a resident in India.”;

(c) after sub-section (2), the following sub-sections shall be inserted with effect from the 1st day of September, 2019, namely:—

“(2A) Without prejudice to the provisions of sub-section (2), where the excess money or part thereof has not been repatriated within the prescribed time, the assessee may, at his option, pay additional income-tax at the rate of eighteen per cent. on such excess money or part thereof, as the case may be.

(2B) The tax on the excess money or part thereof so paid by the assessee under sub-section (2A) shall be treated as the final payment of tax in respect of the excess money or part thereof not repatriated and no further credit therefor shall be claimed by the assessee or by any other person in respect of the amount of tax so paid.

(2C) No deduction under any other provision of this Act shall be allowed to the assessee in respect of the amount on which tax has been paid in accordance with the provisions of sub-section (2A).

(2D) Where the additional income-tax referred to in sub-section (2A) is paid by the assessee, he shall not be required to make secondary adjustment under sub-section (1) and compute interest under sub-section (2) from the date of payment of such tax.”.

Substitution of section 92D.

31. In the Income-tax Act, for section 92D, the following section shall be substituted with effect from the 1st day of April, 2020, namely:—

Maintenance, keeping and furnishing of information and document by certain persons.

‘92D. (1) Every person,—

(i) who has entered into an international transaction or specified domestic transaction shall keep and maintain such information and document in respect thereof as may be prescribed;

(ii) being a constituent entity of an international group, shall keep and maintain such information and document in respect of an international group as may be prescribed.

Explanation.—For the purposes of this clause,—

(A) “constituent entity” shall have the meaning assigned to it in clause (d) of sub-section (9) of section 286;

(B) “international group” shall have the meaning assigned to it in clause (g) of sub-section (9) of section 286.

(2) Without prejudice to the provisions contained in sub-section (1), the Board may prescribe the period for which the information and document shall be kept and maintained under the said sub-section.

(3) The Assessing Officer or the Commissioner (Appeals) may, in the course of any proceeding under this Act, require any person referred to in clause (i) of sub-section (1) to furnish any information or document referred therein, within a period of thirty days from the date of receipt of a notice issued in this regard:

Provided that the Assessing Officer or the Commissioner (Appeals) may, on an application made by such person, extend the period of thirty days by a further period not exceeding thirty days.

(4) The person referred to in clause (ii) of sub-section (1) shall furnish the information and document referred therein to the authority prescribed under sub-section (1) of section 286, in such manner, on or before such date, as may be prescribed.’.

Amendment of section 111A.

32. In section 111A of the Income-tax Act, in the *Explanation*, in clause (a), for the words, brackets and figures “the *Explanation* to clause (38) of section 10”, the words, brackets, letters and figures “clause (a) of the *Explanation* to section 112A” shall be substituted with effect from the 1st day of April, 2020.

Amendment of section 115A.

33. In section 115A of the Income-tax Act, in sub-section (4), after clause (b), the following proviso shall be inserted with effect from the 1st day of April, 2020, namely:—

“Provided that nothing contained in this sub-section shall apply to a deduction allowed to a Unit of an International Financial Services Centre under section 80LA.”.

18 of 2013.

31 of 2016.

18 of 2013.

42 of 1999.

34. In section 115JB of the Income-tax Act, in sub-section (2), in *Explanation* 1, in the long line, for clause (iih), the following clause shall be substituted with effect from the 1st day of April, 2020, namely:—

Amendment
of section
115JB.

‘(iih) the aggregate amount of unabsorbed depreciation and loss brought forward in case of a—

(A) company, and its subsidiary and the subsidiary of such subsidiary, where, the Tribunal, on an application moved by the Central Government under section 241 of the Companies Act, 2013 has suspended the Board of Directors of such company and has appointed new directors who are nominated by the Central Government under section 242 of the said Act;

(B) company against whom an application for corporate insolvency resolution process has been admitted by the Adjudicating Authority under section 7 or section 9 or section 10 of the Insolvency and Bankruptcy Code, 2016.

Explanation.—For the purposes of this clause,—

(i) “Adjudicating Authority” shall have the meaning assigned to it in clause (I) of section 5 of the Insolvency and Bankruptcy Code, 2016;

(ii) “Tribunal” shall have the meaning assigned to it in clause (90) of section 2 of the Companies Act, 2013;

(iii) a company shall be a subsidiary of another company, if such other company holds more than half in the nominal value of equity share capital of the company;

(iv) “loss” shall not include depreciation; or’.

35. In section 115-O of the Income-tax Act, in sub-section (8), for the words “out of its current income”, the words “out of its current income or income accumulated as a unit of International Financial Services Centre after the 1st day of April, 2017” shall be substituted with effect from the 1st day of September, 2019.

Amendment
of section
115-O.

36. In section 115QA of the Income-tax Act, in sub-section (I), the brackets and words “(not being shares listed on a recognised stock exchange)” shall be omitted with effect from the 5th day of July, 2019.

Amendment
of section
115QA.

37. In section 115R of the Income-tax Act, in sub-section (2), with effect from the 1st day of September, 2019,—

Amendment
of section
115R.

(A) after the second proviso, before the *Explanation*, the following proviso shall be inserted, namely:—

“Provided also that no additional income-tax shall be chargeable in respect of any amount of income distributed on or after the 1st day of September, 2019 by a specified Mutual Fund, out of its income derived from transactions made on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in convertible foreign exchange.”;

(B) in the *Explanation*,—

(a) after clause (i), the following clause shall be inserted, namely:—

‘(ia) “convertible foreign exchange” means foreign exchange which is for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purposes of the Foreign Exchange Management Act, 1999 and the rules made thereunder;’;

(b) after clause (*ii*), the following clauses shall be inserted, namely:—

(*iii*) “International Financial Services Centre” shall have the meaning assigned to it in clause (*q*) of section 2 of the Special Economic Zones Act, 2005;

28 of 2005.

(iv) “recognised stock exchange” shall have the meaning assigned to it in clause (*ii*) of *Explanation 1* to clause (5) of section 43;

(v) “specified Mutual Fund” means a Mutual Fund specified under clause (23D) of section 10—

(a) located in any International Financial Services Centre;

(b) of which all the units are held by non-residents;

(vi) “unit” means beneficial interest of an investor in the fund;’.

Amendment
of section
115UB.

38. In section 115UB of the Income-tax Act, in sub-section (2), with effect from the 1st day of April, 2020,—

(a) for clauses (*i*) and (*ii*), the following clauses shall be substituted, namely:—

‘(*i*) out of such loss, the loss arising to the investment fund as a result of the computation under the head “Profit and gains of business or profession”, if any, shall be,—

(a) allowed to be carried forward and it shall be set off by the investment fund in accordance with the provisions of Chapter VI; and

(b) ignored for the purposes of sub-section (*I*);

(*ii*) the loss other than the loss referred to in clause (*i*), if any, shall also be ignored for the purposes of sub-section (*I*), if such loss has arisen in respect of a unit which has not been held by the unit holder for a period of atleast twelve months.’;

(b) after sub-section (2), the following sub-section shall be inserted, namely:—

‘(2A) The loss other than the loss under the head “Profit and gains of business or profession”, if any, accumulated at the level of investment fund as on the 31st day of March, 2019, shall be,—

(i) deemed to be the loss of a unit holder who held the unit on the 31st day of March, 2019 in respect of the investments made by him in the investment fund, in the same manner as provided in sub-section (*I*); and

(ii) allowed to be carried forward by such unit holder for the remaining period calculated from the year in which the loss had occurred for the first time taking that year as the first year and shall be set off by him in accordance with the provisions of Chapter VI:

Provided that the loss so deemed under this sub-section shall not be available to the investment fund on or after the 1st day of April, 2019.’.

Amendment
of section
139.

39. In section 139 of the Income-tax Act, in sub-section (*I*), with effect from the 1st day of April, 2020,—

(a) in the sixth proviso, after the word, figures and letters “section 10BA”, the words, figures and letters “or section 54 or section 54B or section 54D or section 54EC or section 54F or section 54G or section 54GA or section 54GB” shall be inserted;

(b) after the sixth proviso, and before *Explanation 1* the following proviso shall be inserted, namely:—

“Provided also that a person referred to in clause (*b*), who is not required to furnish a return under this sub-section, and who during the previous year—

- (i) has deposited an amount or aggregate of the amounts exceeding one crore rupees in one or more current accounts maintained with a banking company or a co-operative bank; or
- (ii) has incurred expenditure of an amount or aggregate of the amounts exceeding two lakh rupees for himself or any other person for travel to a foreign country; or
- (iii) has incurred expenditure of an amount or aggregate of the amounts exceeding one lakh rupees towards consumption of electricity; or
- (iv) fulfils such other conditions as may be prescribed,

shall furnish a return of his income on or before the due date in such form and verified in such manner and setting forth such other particulars, as may be prescribed.”;

(c) after *Explanation 5*, the following *Explanation* shall be inserted, namely:—

Explanation 6.—For the purposes of this sub-section,—

- (a) “banking company” shall have the meaning assigned to it in clause (i) of the *Explanation* to section 269SS;
- (b) “co-operative bank” shall have the meaning assigned to it in clause (ii) of the *Explanation* to section 269SS.”.

40. In section 139A of the Income-tax Act, with effect from the 1st day of September, 2019,—

Amendment
of section
139A.

(i) in sub-section (1), in clause (vi), for the words, brackets and figure “on behalf of the person referred to in clause (v)”, the following shall be substituted, namely:—

“on behalf of the person referred to in clause (v); or

(vii) who intends to enter into such transaction as may be prescribed by the Board in the interest of revenue,”;

(ii) after sub-section (5D), the following sub-section shall be inserted, namely:—

“(5E) Notwithstanding anything contained in this Act, every person who is required to furnish or intimate or quote his permanent account number under this Act, and who,—

(a) has not been allotted a permanent account number but possesses the Aadhaar number, may furnish or intimate or quote his Aadhaar number in lieu of the permanent account number, and such person shall be allotted a permanent account number in such manner as may be prescribed;

(b) has been allotted a permanent account number, and who has intimated his Aadhaar number in accordance with provisions of sub-section (2) of section 139AA, may furnish or intimate or quote his Aadhaar number in lieu of the permanent account number.”;

(iii) in sub-section (6), for the words “the General Index Register Number”, the words “the General Index Register Number or the Aadhaar number, as the case may be,” shall be substituted;

(iv) after sub-section (6), the following sub-sections shall be inserted, namely:—

“(6A) Every person entering into such transaction, as may be prescribed, shall quote his permanent account number or Aadhaar number, as the case may be, in the documents pertaining to such transactions and also authenticate such permanent account number or Aadhaar number, in such manner as may be prescribed.

(6B) Every person receiving any document relating to the transactions referred to in sub-section (6A), shall ensure that permanent account number or Aadhaar number, as the case may be, has been duly quoted in such document and also ensure that such permanent account number or Aadhaar number is so authenticated.”;

(v) in sub-section (8), in clauses (b) and (f), for the words “the General Index Register Number”, the words “the General Index Register Number or the Aadhaar number, as the case may be,” shall be substituted;

(vi) in the *Explanation*, for clause (a), the following clauses shall be substituted, namely:—

‘(a) “Aadhaar number” shall have the meaning assigned to it in clause (a) of section 2 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016;

18 of 2016.

(aa) “Assessing Officer” includes an income-tax authority who is assigned the duty of allotting permanent account numbers;

(ab) “authentication” means the process by which the permanent account number or Aadhaar number alongwith demographic information or biometric information of an individual is submitted to the income-tax authority or such other authority or agency as may be prescribed for its verification and such authority or agency verifies the correctness, or the lack thereof, on the basis of information available with it;’.

Amendment
of section
139AA.

41. In section 139AA of the Income-tax Act, in sub-section (2), in the proviso, for the words “deemed to be invalid and the other provisions of this Act shall apply, as if the person had not applied for allotment of permanent account number”, the words “made inoperative after the date so notified in such manner as may be prescribed” shall be substituted with effect from the 1st day of September, 2019.

Amendment
of section
140A.

42. In section 140A of the Income-tax Act,—

(i) in sub-section (I), after clause (ii), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2007, namely:—

“(iia) any relief of tax claimed under section 89;”;

(ii) in sub-section (IA), in clause (i), after sub-clause (b), the following sub-clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2007, namely:—

“(ba) any relief of tax claimed under section 89;”;

(iii) in sub-section (IB), in the *Explanation*, after clause (i), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2007, namely:—

“(ia) any relief of tax claimed under section 89;”.

Amendment
of section
143.

43. In section 143 of the Income-tax Act, in sub-section (I), in clause (c), after the words “any advance tax paid,”, the words and figures “any relief allowable under section 89,” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2007.

Amendment
of section
194DA.

44. In section 194DA of the Income-tax Act, for the words “one per cent.”, the words “five per cent. on the amount of income comprised therein” shall be substituted with effect from the 1st day of September, 2019.

45. In section 194-IA of the Income-tax Act, in the *Explanation*, after clause (a), the following clause shall be inserted with effect from the 1st day of September, 2019,—

Amendment
of section
194-IA.

‘(aa) “consideration for transfer of any immovable property” shall include all charges of the nature of club membership fee, car parking fee, electricity or water facility fee, maintenance fee, advance fee or any other charges of similar nature, which are incidental to transfer of the immovable property;’.

46. After section 194LD of the Income-tax Act, the following sections shall be inserted with effect from the 1st day of September, 2019, namely:—

Insertion of new
sections 194M
and 194N.

‘194M. (I) Any person, being an individual or a Hindu undivided family (other than those who are required to deduct income-tax as per the provisions of section 194C, section 194H or section 194J) responsible for paying any sum to any resident for carrying out any work (including supply of labour for carrying out any work) in pursuance of a contract, by way of commission (not being insurance commission referred to in section 194D) or brokerage or by way of fees for professional services during the financial year, shall, at the time of credit of such sum or at the time of payment of such sum in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct an amount equal to five per cent. of such as income-tax thereon:

Provided that no such deduction under this section shall be made if such sum or, as the case may be, aggregate of such sums, credited or paid to a resident during a financial year does not exceed fifty lakh rupees.

(2) The provisions of section 203A shall not apply to a person required to deduct tax in accordance with the provisions of this section.

Explanation.—For the purposes of this section,—

(a) “contract” shall have the meaning assigned to it in clause (iii) of the *Explanation* to section 194C;

(b) “commission or brokerage” shall have the meaning assigned to it in clause (i) of the *Explanation* to section 194H;

(c) “professional services” shall have the meaning assigned to it in clause (a) of the *Explanation* to section 194J;

(d) “work” shall have the meaning assigned to it in clause (iv) of the *Explanation* to section 194C.

194N. Every person, being,—

Payment of
certain
amounts in
cash.

(i) a banking company to which the Banking Regulation Act, 1949 applies (including any bank or banking institution referred to in section 51 of that Act);

(ii) a co-operative society engaged in carrying on the business of banking;

or

(iii) a post office,

who is responsible for paying any sum, or, as the case may be, aggregate of sums, in cash, in excess of one crore rupees during the previous year, to any person (herein referred to as the recipient) from one or more accounts maintained by the recipient with it shall, at the time of payment of such sum, deducts an amount equal to two per cent. of sum exceeding one crore rupees, as income-tax:

Provided that nothing contained in this sub-section shall apply to any payment made to,—

(i) the Government;

(ii) any banking company or co-operative society engaged in carrying on the business of banking or a post office;

(iii) any business correspondent of a banking company or co-operative society engaged in carrying on the business of banking, in accordance with the guidelines issued in this regard by the Reserve Bank of India under the Reserve Bank of India Act, 1934;

2 of 1934.

(iv) any white label automated teller machine operator of a banking company or co-operative society engaged in carrying on the business of banking, in accordance with the authorisation issued by the Reserve Bank of India under the Payment and Settlement Systems Act, 2007;

51 of 2007.

(v) such other person or class of persons, which the Central Government may, by notification in the Official Gazette, specify in consultation with the Reserve Bank of India.'

Amendment of section 195.

47. In section 195 of the Income-tax Act, with effect from the 1st day of November, 2019,—

(a) in sub-section (2), for the words "to the Assessing Officer to determine, by general or special order", the words "in such form and manner to the Assessing Officer, to determine in such manner, as may be prescribed" shall be substituted;

(b) in sub-section (7), for the words "to the Assessing Officer to determine, by general or special order", the words "in such form and manner to the Assessing Officer, to determine in such manner, as may be prescribed" shall be substituted.

Amendment of section 197.

48. In section 197 of the Income-tax Act, in sub-section (1), for the figures and letters "194LBC", the figures and letters "194LBC, 194M" shall be substituted with effect from the 1st day of September, 2019.

Amendment of section 198.

49. In section 198 of the Income-tax Act, after the first proviso, the following proviso shall be inserted with effect from the 1st day of September, 2019, namely:—

"Provided further that the sum deducted in accordance with the provisions of section 194N for the purpose of computing the income of an assessee, shall be deemed to be income received."

Amendment of section 201.

50. In section 201 of the Income-tax Act, with effect from the 1st day of September, 2019,—

(a) in sub-section (1), in the first proviso, for the word "resident" wherever it occurs, the word "payee" shall be substituted;

(b) in sub-section (1A), in the proviso, for the word "resident" wherever it occurs, the word "payee" shall be substituted;

(c) in sub-section (3), after the words "credit is given", the words, brackets and figures "or two years from the end of the financial year in which the correction statement is delivered under the proviso to sub-section (3) of section 200, whichever is later" shall be inserted.

Substitution of section 206A.

51. For section 206A of the Income-tax Act, the following section shall be substituted with effect from the 1st day of September, 2019, namely:—

Furnishing of statement in respect of payment of any income to residents without deduction of tax.

206A. (1) Any banking company or co-operative society or public company referred to in the proviso to clause (i) of sub-section (3) of section 194A responsible for paying to a resident any income not exceeding forty thousand rupees, where the payer is a banking company or a co-operative society, and five thousand rupees in any other case by way of interest (other than interest on securities), shall prepare such statement in such form, containing such particulars, for such period, verified in such manner and within such time, as may be prescribed, and deliver or cause to be delivered

the said statement to the prescribed income-tax authority or to the person authorised by such authority.

(2) The Board may require any person, other than a person mentioned in sub-section (1), responsible for paying to a resident any income liable for deduction of tax at source under Chapter XVII, to prepare such statement in such form, containing such particulars, for such period, verified in such manner and within such time, as may be prescribed, and deliver or cause to be delivered the said statement to the income-tax authority or the authorised person referred to in sub-section (1).

(3) The person responsible for paying to a resident any income referred to in sub-section (1) or sub-section (2) may also deliver to the income-tax authority referred to in sub-section (1), a correction statement for rectification of any mistake or to add, delete or update the information furnished in the statement delivered under the said sub-sections in such form and verified in such manner, as may be prescribed.”.

52. In section 228A of the Income-tax Act, with effect from the 1st day of September, 2019,— Amendment of section 228A.

(a) in sub-section (1),—

(i) for the words “corresponding law from”, the words “corresponding law from a resident, or” shall be substituted;

(ii) for the words “any Tax Recovery Officer”, the words “any Tax Recovery Officer having jurisdiction over the resident, or” shall be substituted;

(b) in sub-section (2),—

(i) for the words “has property in a country outside India”, the words “is a resident of a country” shall be substituted;

(ii) for the words “forward to the Board”, the words “or has any property in that country, forward to the Board” shall be substituted.

53. In section 234A of the Income-tax Act, in sub-section (1), in the long line, after clause (ii), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2007, namely:— Amendment of section 234A.

“(iia) any relief of tax allowed under section 89;”.

54. In section 234B of the Income-tax Act, in sub-section (1), in *Explanation* 1, after clause (i), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2007, namely:— Amendment of section 234B.

“(ia) any relief of tax allowed under section 89;”.

55. In section 234C of the Income-tax Act, in sub-section (1), in the *Explanation*, after clause (i), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2007, namely:— Amendment of section 234C.

“(ia) any relief of tax allowed under section 89;”.

56. In section 239 of the Income-tax Act, with effect from the 1st day of September, 2019,— Amendment of section 239.

(a) in sub-section (1), for the words “in the prescribed form and verified in the prescribed manner”, the words and figures “by furnishing return in accordance with the provisions of section 139” shall be substituted;

(b) sub-section (2) shall be omitted.

57. In section 246A of the Income-tax Act, in sub-section (1), in clause (bb), for the words “of assessment or reassessment”, the word “made” shall be substituted with effect from the 1st day of September, 2019. Amendment of section 246A.

Amendment
of section
269SS.

Amendment
of section
269ST.

Insertion of
new section
269SU.

Acceptance of
payment
through
prescribed
electronic
modes.

Amendment
of section
269T.

Amendment
of section
270A.

Insertion of
new section
271DB.

Penalty for failure
to comply with
provisions of
section 269SU.

Amendment
of section
271FAA.

Amendment
of section
272B.

58. In section 269SS of the Income-tax Act, in the opening portion, for the words “bank account”, the words “bank account or through such other electronic mode as may be prescribed” shall be substituted with effect from the 1st day of September, 2019.

59. In section 269ST of the Income-tax Act, in the long line, for the words “bank account”, the words “bank account or through such other electronic mode as may be prescribed” shall be substituted with effect from the 1st day of September, 2019.

60. After section 269ST of the Income-tax Act, the following section shall be inserted with effect from the 1st day of November, 2019, namely:—

“269SU. Every person, carrying on business, shall provide facility for accepting payment through prescribed electronic modes, in addition to the facility for other electronic modes, of payment, if any, being provided by such person, if his total sales, turnover or gross receipts, as the case may be, in business exceeds fifty crore rupees during the immediately preceding previous year.”.

61. In section 269T of the Income-tax Act, in the opening portion, for the words “bank account”, the words “bank account or through such other electronic mode as may be prescribed” shall be substituted with effect from the 1st day of September, 2019.

62. In section 270A of the Income-tax Act,—

(A) for the words “no return of income has been furnished” at both the places where they occur, the words and figures “no return of income has been furnished or where return has been furnished for the first time under section 148” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(B) in sub-section (2), in clause (e), for the words “no return of income has been filed”, the words and figures “no return of income has been furnished or where return has been furnished for the first time under section 148” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(C) in sub-section (3), in clause (i), in sub-clause (b), for the words “no return has been furnished”, the words and figures “no return of income has been furnished or where return has been furnished for the first time under section 148” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017.

63. After section 271DA of the Income-tax Act, the following section shall be inserted with effect from the 1st day of November, 2019, namely:—

“271DB. (1) If a person who is required to provide facility for accepting payment through the prescribed electronic modes of payment referred to in section 269SU, fails to provide such facility, he shall be liable to pay, by way of penalty, a sum of five thousand rupees, for every day during which such failure continues:

Provided that no such penalty shall be imposable if such person proves that there were good and sufficient reasons for such failure.

(2) Any penalty imposable under sub-section (1) shall be imposed by the Joint Commissioner of Income-tax.”.

64. In section 271FAA of the Income-tax Act, in the opening portion, the words, brackets and letter “clause (k) of” shall be omitted with effect from the 1st day of September, 2019.

65. In section 272B of the Income-tax Act, with effect from the 1st day of September, 2019,—

(a) in sub-section (2),—

(i) for the words “permanent account number”, the words “permanent account number or Aadhaar number, as the case may be,” shall be substituted;

(ii) for the words “ten thousand rupees”, the words “ten thousand rupees for each such default” shall be substituted;

(b) after sub-section (2), the following sub-sections shall be inserted, namely:—

“(2A) If a person, who is required to quote his permanent account number or Aadhaar number, as the case may be, in documents referred to in sub-section (6A) of section 139A or authenticate such number in accordance with the provisions of the said sub-section, fails to do so, the Assessing Officer may direct that such person shall pay, by way of penalty, a sum of ten thousand rupees for each such default.

“(2B) If a person, who is required to ensure that the permanent account number or the Aadhaar number, as the case may be, has been,—

(i) duly quoted in the documents relating to transactions referred to in clause (c) of sub-section (5) or in sub-section (6A) of section 139A; or

(ii) duly authenticated in respect of transactions referred to under sub-section (6A) of that section,

fails to do so, the Assessing Officer may direct that such person shall pay, by way of penalty, a sum of ten thousand rupees for each such default.”;

(c) in sub-section (3), for the word, brackets and figure “sub-section (2)”, the words, brackets, figures and letters “sub-section (2) or sub-section (2A) or sub-section (2B)” shall be substituted.

66. In section 276CC of the Income-tax Act, in the proviso, in clause (ii), for sub-clause (b), the following sub-clause shall be substituted with effect from the 1st day of April, 2020, namely:—

Amendment
of section
276CC.

“(b) the tax payable by such person, not being a company, on the total income determined on regular assessment, as reduced by the advance tax or self-assessment tax, if any, paid before the expiry of the assessment year, and any tax deducted or collected at source, does not exceed ten thousand rupees.”.

67. In section 285BA of the Income-tax Act, with effect from the 1st day of September, 2019,—

Amendment
of section
285BA.

(i) in sub-section (1), for clause (k), the following clauses shall be substituted, namely:—

“(k) a prescribed reporting financial institution; or

(l) a person, other than those referred to in clauses (a) to (k), as may be prescribed.”;

(ii) in sub-section (3), the second proviso shall be omitted;

(iii) in sub-section (4), for the words “such statement shall be treated as an invalid statement and the provisions of this Act shall apply as if such person had failed to furnish the statement”, the words “the provisions of this Act shall apply as if such person had furnished inaccurate information in the statement” shall be substituted.

Amendment
of section
286.

68. In section 286 of the Income-tax Act, in sub-section (9), in clause (a), in sub-clause (i), the words “or alternate reporting entity” shall be omitted and shall be deemed to have been omitted with effect from the 1st day of April, 2017.

Amendment
of rule 68B of
Second
Schedule.

69. In the Second Schedule to the Income-tax Act, in Part III, in rule 68B, in sub-rule (1), with effect from the 1st day of September, 2019,—

(a) for the words “three years”, the words “seven years” shall be substituted;

(b) in the proviso, for the word “Provided”, the words “Provided further” shall be substituted;

(c) before the proviso as so amended, the following proviso shall be inserted, namely:—

“Provided that the Board may, for reasons to be recorded in writing, extend the aforesaid period for a further period not exceeding three years.”.

CHAPTER IV

INDIRECT TAXES

Customs

Amendment
of section 41.

52 of 1962.

70. In section 41 of the Customs Act, 1962 (hereinafter referred to as the Customs Act), in sub-section (1), for the portion beginning with the words “The person-in-charge of a conveyance”, and ending with the words “not exceeding fifty thousand rupees”, the following shall be substituted, namely:—

“The person-in-charge of a conveyance carrying export goods or imported goods or any other person as may be specified by the Central Government, by notification, shall, before departure of the conveyance from a customs station, deliver to the proper officer in the case of a vessel or aircraft, a departure manifest or an export manifest by presenting electronically, and in the case of a vehicle, an export report, in such form and manner as may be prescribed and in case, such person-in-charge or other person fails to deliver the departure manifest or export manifest or the export report or any part thereof within such time, and the proper officer is satisfied that there is no sufficient cause for such delay, such person-in-charge or other person shall be liable to pay penalty not exceeding fifty thousand rupees”.

Insertion of
New Chapter
XIIB.

71. After Chapter XIIA of the Customs Act, the following Chapter shall be inserted, namely:—

‘CHAPTER XIIB

VERIFICATION OF IDENTITY AND COMPLIANCE

Verification of
identity and
compliance
thereof.

99B. (1) The proper officer, authorised in this behalf by the Principal Commissioner of Customs or the Commissioner of Customs, as the case may be, may, for the purposes of ascertaining compliance of the provisions of this Act or any other law for the time being in force, require a person, whose verification he considers necessary for protecting the interest of revenue or for preventing smuggling, to do all or any of the following, namely:—

(a) undergo authentication, or furnish proof of possession of Aadhaar number, in such manner and within such time as may be prescribed;

(b) submit such other document or information, in such manner and within such time as may be prescribed:

Provided that where such person has not been assigned the Aadhaar number, or where so assigned, but authentication of such person has failed due to technical reasons or for reasons beyond his control, then, he shall be provided an opportunity to furnish such other alternative and viable means of identification in such form and manner and within such time as may be prescribed.

(2) The provisions of sub-section (1) shall not apply to such person or class of persons as may be prescribed.

(3) Notwithstanding anything contained in any other provisions of this Act, where the Principal Commissioner of Customs or the Commissioner of Customs comes to the conclusion, based on reasons to be recorded in writing, that the person referred to in sub-section (1) has—

(i) failed to comply with the requirements of the said sub-section or submitted incorrect documents or information under the said sub-section, he may, by order, suspend—

- (a) clearance of imported goods or export goods;
 - (b) sanction of refund;
 - (c) sanction of drawback;
 - (d) exemption from duty;
 - (e) licence or registration granted under this Act; or
 - (f) any benefit, monetary or otherwise, arising out of import or export,
- relating to such person, subject to such conditions as may be prescribed;

(ii) failed authentication as required under the said sub-section, he may, by order, direct that such person shall not have the benefit of any of the items specified in sub-clauses (a) to (f) of clause (i).

(4) The order of suspension under sub-section (3) shall remain in force until the person concerned complies with the requirements of sub-section (1) or furnishes correct document or information thereunder.

Explanation.—For the purposes of this section, the expression “Aadhaar number” shall have the same meaning as assigned to it in clause (a) of section 2 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016.’.

18 of 2016.

72. In section 103 of the Customs Act,—

(i) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Where the proper officer has reason to believe that any person referred to in sub-section (2) of section 100 has any goods liable to confiscation secreted inside his body, he may detain such person and shall,—

(a) with the prior approval of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as soon as practicable, screen or scan such person using such equipment as may be available at the customs station, but without prejudice to any of the rights available to such person under any other law for the time being in force, including his consent for such screening or scanning, and forward a report of such screening or scanning to the nearest magistrate if such goods appear to be secreted inside his body; or

(b) produce him without unnecessary delay before the nearest magistrate.”;

Amendment of
section 103.

(ii) in sub-section (6), after the words “Where on receipt of a report”, the words, brackets, letter and figure “from the proper officer under clause (a) of sub-section (1) or” shall be inserted.

Amendment
of section
104.

73. In section 104 of the Customs Act,—

(i) in sub-section (1), the words “in India or within the Indian customs waters” shall be omitted;

(ii) in sub-section (4),—

(A) in clause (b), for the word “rupees,”, the words “rupees; or” shall be substituted;

(B) after clause (b), the following clauses shall be inserted, namely:—

“(c) fraudulently availing of or attempting to avail drawback or any exemption from duty provided under this Act, where the amount of drawback or exemption from duty exceeds fifty lakh rupees; or

(d) fraudulently obtaining an instrument for the purposes of this Act or the Foreign Trade (Development and Regulation) Act, 1992, and such instrument is utilised under this Act, where duty relatable to such utilisation of instrument exceeds fifty lakh rupees.”;

22 of 1992.

(iii) in sub-section (6),—

(A) in clause (d), for the word “rupees,”, the words “rupees; or” shall be substituted;

(B) after clause (d), the following clause shall be inserted, namely:—

“(e) fraudulently obtaining an instrument for the purposes of this Act or the Foreign Trade (Development and Regulation) Act, 1992, and such instrument is utilised under this Act, where duty relatable to such utilisation of instrument exceeds fifty lakh rupees.”;

22 of 1992.

(iv) after sub-section (7), the following *Explanation* shall be inserted, namely:—

‘*Explanation*.—For the purposes of this section, the expression “instrument” shall have the same meaning as assigned to it in *Explanation 1* to section 28AAA.’.

Amendment
of section
110.

74. In section 110 of the Customs Act,—

(i) in sub-section (1), for the proviso, the following provisos shall be substituted, namely:—

“Provided that where it is not practicable to remove, transport, store or take physical possession of the seized goods for any reason, the proper officer may give custody of the seized goods to the owner of the goods or the beneficial owner or any person holding himself out to be the importer, or any other person from whose custody such goods have been seized, on execution of an undertaking by such person that he shall not remove, part with, or otherwise deal with the goods except with the previous permission of such officer:

Provided further that where it is not practicable to seize any such goods, the proper officer may serve an order on the owner of the goods or the beneficial owner or any person holding himself out to be importer, or any other person from whose custody such goods have been found, directing that such person shall not remove, part with, or otherwise deal with such goods except with the previous permission of such officer.”;

(ii) after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) Where the proper officer, during any proceedings under the Act, is of the opinion that for the purposes of protecting the interest of revenue or preventing smuggling, it is necessary so to do, he may, with the approval of the Principal Commissioner of Customs or Commissioner of Customs, by order in writing, provisionally attach any bank account for a period not exceeding six months:

Provided that the Principal Commissioner of Customs or Commissioner of Customs may, for reasons to be recorded in writing, extend such period to a further period not exceeding six months and inform such extension of time to the person whose bank account is provisionally attached, before the expiry of the period so specified.”.

75. In section 110A of the Customs Act,—

(i) in the marginal heading, after the words “things seized”, the words “or bank account provisionally attached” shall be inserted;

(ii) after the words “documents or things seized”, the words “or bank account provisionally attached” shall be inserted;

(iii) after the words “to the owner”, the words “or the bank account holder” shall be inserted.

76. After section 114AA of the Customs Act, the following section shall be inserted, namely:—

‘114AB. Where any person has obtained any instrument by fraud, collusion, wilful misstatement or suppression of facts and such instrument has been utilised by such person or any other person for discharging duty, the person to whom the instrument was issued shall be liable for penalty not exceeding the face value of such instrument.

Explanation.—For the purposes of this section, the expression “instrument” shall have the same meaning as assigned to it in the *Explanation 1* to section 28AAA.’.

77. In section 117 of the Customs Act, for the words “one lakh rupees”, the words “four lakh rupees” shall be substituted.

78. In section 125 of the Customs Act, in sub-section (1), in the first proviso, for the words “the provisions of this section shall not apply”, the words “no such fine shall be imposed” shall be substituted.

79. In section 135 of the Customs Act,—

(i) in sub-section (1),—

(a) in clause (d), for the words “export of goods,”, the words “export of goods; or” shall be substituted;

(b) after clause (d), the following clause shall be inserted, namely:—

“(e) obtains an instrument from any authority by fraud, collusion, wilful misstatement or suppression of facts and such instrument has been utilised by such person or any other person,”;

(c) in item (i),—

(I) in sub-item (D), for the words “of rupees,”, the words “of rupees; or” shall be substituted;

(II) after sub-item (D), the following sub-item shall be inserted, namely:—

Amendment
of section
110A.

Insertion of
new section
114AB.

Penalty for
obtaining
instrument by
fraud, etc.

Amendment
of section
117.

Amendment
of section
125.

Amendment
of section
135.

“(E) obtaining an instrument from any authority by fraud, collusion, wilful misstatement or suppression of facts and such instrument has been utilised by any person, where the duty relatable to utilisation of the instrument exceeds fifty lakh rupees.”.

(ii) after sub-section (3), the following *Explanation* shall be inserted, namely:—

Explanation.— For the purposes of this section, the expression “instrument” shall have the same meaning as assigned to it in the *Explanation 1* to section 28AAA.’.

Amendment
of section
149.

80. In section 149 of the Customs Act, after the words “custom house to be amended”, the words “in such form and manner, within such time, subject to such restrictions and conditions, as may be prescribed” shall be inserted.

Amendment
of section
157.

81. In section 157 of the Customs Act, in sub-section (2),—

(i) after clause (k), the following clause shall be inserted, namely:—

“(ka) the manner of authentication and the time limit for such authentication, the document or information to be furnished and the manner of submitting such document or information and the time limit for such submission, the form and the manner of furnishing alternative means of identification and the time limit for furnishing such identification, person or class of persons to be exempted and conditions subject to which suspension may be made, under Chapter XIIB;”;

(ii) after clause (m), the following clause shall be inserted, namely:—

“(n) the form and manner, the time limit and the restrictions and conditions for amendment of any document under section 149.”.

Amendment
of section 158.

82. In section 158 of the Customs Act, in sub-section (2), in clause (ii), for the words “fifty thousand rupees”, the words “two lakh rupees” shall be substituted.

Amendment
of
notifications
issued under
sub-section (1)
of section 25
of Customs
Act,
retrospectively.

83. (1) The notifications of the Government of India in the Ministry of Finance (Department of Revenue) numbers G.S.R. 423(E), dated the 1st June, 2011, G.S.R. 499(E), dated the 1st July, 2011 and G.S.R. 185(E), dated the 17th March, 2012 issued by the Central Government under sub-section (1) of section 25 of the Customs Act, 1962, shall stand amended and shall be deemed to have been amended in the manner as specified in the Second Schedule, on and from the date mentioned in column (4) of that Schedule, against each of such notifications, retrospectively, and accordingly, notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, any action taken or anything done or purported to have been taken or done under the said notifications, shall be deemed to be, and always to have been, for all purposes, as validly and effectively taken or done as if the notifications as amended by this sub-section had been in force at all material times.

52 of 1962.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notifications referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said notifications under sub-section (1) of section 25 of the Customs Act, retrospectively, at all material times.

Amendment
of notification
issued under
sub-section (1)
of section 25
of Customs
Act and sub-
section (12)
of section 3 of
Customs
Tariff Act,
retrospectively.

84. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 785(E), dated the 30th June, 2017 issued by the Central Government under sub-section (1) of section 25 of the Customs Act, 1962 and sub-section (12) of section 3 of the Customs Tariff Act, 1975, shall stand amended and shall be deemed to have been amended in the manner as specified in the Third Schedule, on and from the date mentioned in column (4) of that Schedule and accordingly, notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, any action taken or anything done or purported to have been taken or done under the said notification, shall be deemed to be, and always to have been, for all purposes, as validly and effectively taken or done as if the notification as amended by this sub-section had been in force at all material times.

52 of 1962.

51 of 1975.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said notification under sub-section (1) of section 25 of the Customs Act and sub-section (12) of section 3 of Customs Tariff Act, retrospectively, at all material times.

85. The notification of the Government of India in the Ministry of Finance (Department of Revenue) number GS.R. 1270 (E), dated the 31st December, 2018 amending the notification number G.S.R. 665 (E), dated the 2nd August, 1976, which was issued in exercise of powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 and sub-section (12) of section 3 of the Customs Tariff Act, 1975, shall be deemed to have, and always to have, for all purposes, come into force on and from the 1st day of July, 2017.

Retrospective effect of notification issued under sub-section (1) of section 25 of Customs Act and sub-section (12) of section 3 of Customs Tariff Act.

Customs Tariff

52 of 1962.
51 of 1975.

86. In section 9 of the Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act), after sub-section (1), the following sub-section shall be inserted, namely:—

“(IA) Where the Central Government, on such inquiry as it considers necessary, is of the opinion that circumvention of countervailing duty imposed under sub-section (1) has taken place, either by altering the description or name or composition of the article on which such duty has been imposed or by import of such article in an unassembled or disassembled form or by changing the country of its origin or export or in any other manner, whereby the countervailing duty so imposed is rendered ineffective, it may extend the countervailing duty to such other article also.”.

87. In section 9C of the Customs Tariff Act, for sub-section (1), the following sub-section shall be substituted, namely:—

“(I) An appeal against the order of determination or review thereof shall lie to the Customs, Excise and Service Tax Appellate Tribunal constituted under section 129 of the Customs Act, 1962 (hereinafter referred to as the Appellate Tribunal), in respect of the existence, degree and effect of—

- (i) any subsidy or dumping in relation to import of any article; or
- (ii) import of any article into India in such increased quantities and under such condition so as to cause or threatening to cause serious injury to domestic industry requiring imposition of safeguard duty in relation to import of that article.”.

52 of 1962.

88. In the Customs Tariff Act, the First Schedule shall—

Amendment of First Schedule.

(a) be amended in the manner specified in the Fourth Schedule;

(b) be also amended in the manner specified in the Fifth Schedule, with effect from such date as the Central Government may, by notification in the Official Gazette, appoint.

51 of 1975.

89. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 186 (E), dated the 22nd February, 2016 amending the notification number G.S.R. 804 (E), dated the 21st October, 2015, issued in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act, 1975 read with rules 18 and 20 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 shall be deemed to have, and always to have, for all purposes, validly come into force on and from the 21st day of October, 2015.

Validation of modification in classification of certain goods leviable to anti-dumping duty with retrospective effect.

(2) Refund shall be made of all such anti-dumping duty which has been collected, but which would not have been so collected, if the notification referred to in sub-section (1) been in force at all material times.

(3) An application for refund of anti-dumping duty referred to in sub-section (2) shall be made within a period of six months from the date on which the Finance (No.2) Bill, 2019 receives the assent of the President.

Validation of modification in description of goods with retrospective effect.

90. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 665 (E), dated the 5th July, 2016 amending the notification number G.S.R. 285 (E), dated the 8th March, 2016, issued in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act, 1975, read with rules 18, 20 and 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 shall be deemed to have, and always to have, for all purposes, come into force on and from the 8th day of March, 2016.

51 of 1975.

(2) Refund shall be made of all such anti-dumping duty which has been collected, but which would not have been so collected, if the notification referred to in sub-section (1) been in force at all material times.

(3) An application for refund of anti-dumping duty referred to in sub-section (2) shall be made within a period of six months from the date on which the Finance (No.2) Bill, 2019 receives the assent of the President.

Central Excise

Amendment of Fourth Schedule.

91. In the Fourth Schedule to the Central Excise Act, 1944, in Chapter 27, for the entry in column (4) occurring against tariff item 2709 20 00, the entry “Re.1 per tonne” shall be substituted.

1 of 1944.

Amendment of section 2.

92. In section 2 of the Central Goods and Services Tax Act, 2017 (hereinafter referred as the Central Goods and Services Tax Act), in clause (4), after the words “the Appellate Authority for Advance Ruling,”, the words “the National Appellate Authority for Advance Ruling,” shall be inserted.

12 of 2017.

Amendment of section 10.

93. In section 10 of the Central Goods and Services Tax Act,—

(a) in sub-section (1), after the second proviso, the following *Explanation* shall be inserted, namely:—

“*Explanation*.—For the purposes of second proviso, the value of exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount shall not be taken into account for determining the value of turnover in a State or Union territory.”;

(b) in sub-section (2),—

(i) in clause (d), the word “and” occurring at the end shall be omitted;

(ii) in clause (e), for the word “Council:”, the words “Council; and” shall be substituted;

(iii) after clause (e), the following clause shall be inserted, namely:—

“(f) he is neither a casual taxable person nor a non-resident taxable person:”;

(c) after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A) Notwithstanding anything to the contrary contained in this Act, but subject to the provisions of sub-sections (3) and (4) of section 9, a registered

person, not eligible to opt to pay tax under sub-section (1) and sub-section (2), whose aggregate turnover in the preceding financial year did not exceed fifty lakh rupees, may opt to pay, in lieu of the tax payable by him under sub-section (1) of section 9, an amount of tax calculated at such rate as may be prescribed, but not exceeding three per cent. of the turnover in State or turnover in Union territory, if he is not—

- (a) engaged in making any supply of goods or services which are not liable to tax under this Act;
- (b) engaged in making any inter-State outward supplies of goods or services;
- (c) engaged in making any supply of goods or services through an electronic commerce operator who is required to collect tax at source under section 52;
- (d) a manufacturer of such goods or supplier of such services as may be notified by the Government on the recommendations of the Council; and
- (e) a casual taxable person or a non-resident taxable person:

43 of 1961.

Provided that where more than one registered person are having the same Permanent Account Number issued under the Income-tax Act, 1961, the registered person shall not be eligible to opt for the scheme under this sub-section unless all such registered persons opt to pay tax under this sub-section.”;

- (d) in sub-section (3), after the words, brackets and figure “under sub-section (1)” at both the places where they occur, the words, brackets, figure and letter “or sub-section (2A), as the case may be,” shall be inserted.
- (e) in sub-section (4), after the words, brackets and figure “of sub-section (1)”, the words, brackets, figure and letter “or, as the case may be, sub-section (2A)” shall be inserted.
- (f) in sub-section (5), after the words, brackets and figure “under sub-section (1)”, the words, brackets, figure and letter “or sub-section (2A), as the case may be,” shall be inserted.

(g) after sub-section (5), the following *Explanations* shall be inserted, namely:—

Explanation 1.—For the purposes of computing aggregate turnover of a person for determining his eligibility to pay tax under this section, the expression “aggregate turnover” shall include the value of supplies made by such person from the 1st day of April of a financial year up to the date when he becomes liable for registration under this Act, but shall not include the value of exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount.

Explanation 2.—For the purposes of determining the tax payable by a person under this section, the expression “turnover in State or turnover in Union territory” shall not include the value of following supplies, namely:—

- (i) supplies from the first day of April of a financial year up to the date when such person becomes liable for registration under this Act; and
- (ii) exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount.’.

Amendment
of section 22.

94. In section 22 of the Central Goods and Services Tax Act, in sub-section (1), after the second proviso, the following shall be inserted, namely:—

“Provided also that the Government may, at the request of a State and on the recommendations of the Council, enhance the aggregate turnover from twenty lakh rupees to such amount not exceeding forty lakh rupees in case of supplier who is engaged exclusively in the supply of goods, subject to such conditions and limitations, as may be notified.

Explanation.—For the purposes of this sub-section, a person shall be considered to be engaged exclusively in the supply of goods even if he is engaged in exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount.”.

Amendment
of section 25.

95. In section 25 of the Central Goods and Services Tax Act, after sub-section (6), the following sub-sections shall be inserted, namely:—

“(6A) Every registered person shall undergo authentication, or furnish proof of possession of Aadhaar number, in such form and manner and within such time as may be prescribed:

Provided that if an Aadhaar number is not assigned to the registered person, such person shall be offered alternate and viable means of identification in such manner as Government may, on the recommendations of the Council, prescribe:

Provided further that in case of failure to undergo authentication or furnish proof of possession of Aadhaar number or furnish alternate and viable means of identification, registration allotted to such person shall be deemed to be invalid and the other provisions of this Act shall apply as if such person does not have a registration.

(6B) On and from the date of notification, every individual shall, in order to be eligible for grant of registration, undergo authentication, or furnish proof of possession of Aadhaar number, in such manner as the Government may, on the recommendations of the Council, specify in the said notification:

Provided that if an Aadhaar number is not assigned to an individual, such individual shall be offered alternate and viable means of identification in such manner as the Government may, on the recommendations of the Council, specify in the said notification.

(6C) On and from the date of notification, every person, other than an individual, shall, in order to be eligible for grant of registration, undergo authentication, or furnish proof of possession of Aadhaar number of the Karta, Managing Director, whole time Director, such number of partners, Members of Managing Committee of Association, Board of Trustees, authorised representative, authorised signatory and such other class of persons, in such manner, as the Government may, on the recommendations of the Council, specify in the said notification:

Provided that where such person or class of persons have not been assigned the Aadhaar Number, such person or class of persons shall be offered alternate and viable means of identification in such manner as the Government may, on the recommendations of the Council, specify in the said notification.

(6D) The provisions of sub-section (6A) or sub-section (6B) or sub-section (6C) shall not apply to such person or class of persons or any State or Union territory or part thereof, as the Government may, on the recommendations of the Council, specify by notification.

Explanation.—For the purposes of this section, the expression “Aadhaar number” shall have the same meaning as assigned to it in clause (a) of section 2 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016.”.

96. After section 31 of the Central Goods and Services Tax Act, the following section shall be inserted, namely:—

“31A. The Government may, on the recommendations of the Council, prescribe a class of registered persons who shall provide prescribed modes of electronic payment to the recipient of supply of goods or services or both made by him and give option to such recipient to make payment accordingly, in such manner and subject to such conditions and restrictions, as may be prescribed.”.

97. In section 39 of the Central Goods and Services Tax Act,—

(a) for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:—

“(1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52 shall, for every calendar month or part thereof, furnish, a return, electronically, of inward and outward supplies of goods or services or both, input tax credit availed, tax payable, tax paid and such other particulars, in such form and manner, and within such time, as may be prescribed:

Provided that the Government may, on the recommendations of the Council, notify certain class of registered persons who shall furnish a return for every quarter or part thereof, subject to such conditions and restrictions as may be specified therein.

(2) A registered person paying tax under the provisions of section 10, shall, for each financial year or part thereof, furnish a return, electronically, of turnover in the State or Union territory, inward supplies of goods or services or both, tax payable, tax paid and such other particulars in such form and manner, and within such time, as may be prescribed.”;

(b) for sub-section (7), the following sub-section shall be substituted, namely:—

“(7) Every registered person who is required to furnish a return under sub-section (1), other than the person referred to in the proviso thereto, or sub-section (3) or sub-section (5), shall pay to the Government the tax due as per such return not later than the last date on which he is required to furnish such return:

Provided that every registered person furnishing return under the proviso to sub-section (1) shall pay to the Government, the tax due taking into account inward and outward supplies of goods or services or both, input tax credit availed, tax payable and such other particulars during a month, in such form and manner, and within such time, as may be prescribed:

Provided further that every registered person furnishing return under sub-section (2) shall pay to the Government, the tax due taking into account turnover in the State or Union territory, inward supplies of goods or services or both, tax payable, and such other particulars during a quarter, in such form and manner, and within such time, as may be prescribed.”.

98. In section 44 of the Central Goods and Services Tax Act, in sub-section (1), the following provisos shall be inserted, namely:—

“Provided that the Commissioner may, on the recommendations of the Council and for reasons to be recorded in writing, by notification, extend the time limit for furnishing the annual return for such class of registered persons as may be specified therein:

Provided further that any extension of time limit notified by the Commissioner of State tax or the Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.”.

Insertion of new section 31A.

Facility of digital payment to recipient.

Amendment of section 39.

Amendment of section 44.

Amendment
of section 49.

99. In section 49 of the Central Goods and Services Tax Act, after sub-section (9), the following sub-sections shall be inserted, namely:—

“(10) A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under this Act, to the electronic cash ledger for integrated tax, central tax, State tax, Union territory tax or cess, in such form and manner and subject to such conditions and restrictions as may be prescribed and such transfer shall be deemed to be a refund from the electronic cash ledger under this Act.

(11) Where any amount has been transferred to the electronic cash ledger under this Act, the same shall be deemed to be deposited in the said ledger as provided in sub-section (1).”.

Amendment
of section 50.

100. In section 50 of the Central Goods and Services Tax Act, in sub-section (1), the following proviso shall be inserted, namely:—

“Provided that the interest on tax payable in respect of supplies made during a tax period and declared in the return for the said period furnished after the due date in accordance with the provisions of section 39, except where such return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period, shall be levied on that portion of the tax that is paid by debiting the electronic cash ledger.”.

Amendment
of section 52.

101. In section 52 of the Central Goods and Services Tax Act,—

(a) in sub-section (4), the following provisos shall be inserted, namely:—

“Provided that the Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing the statement for such class of registered persons as may be specified therein:

Provided further that any extension of time limit notified by the Commissioner of State tax or the Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.”;

(b) in sub-section (5), the following provisos shall be inserted, namely:—

“Provided that the Commissioner may, on the recommendations of the Council and for reasons to be recorded in writing, by notification, extend the time limit for furnishing the annual statement for such class of registered persons as may be specified therein:

Provided further that any extension of time limit notified by the Commissioner of State tax or the Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.”.

Insertion of
new section
53A.

102. After section 53 of the Central Goods and Services Tax Act, the following section shall be inserted, namely:—

“53A. Where any amount has been transferred from the electronic cash ledger under this Act to the electronic cash ledger under the State Goods and Services Tax Act or the Union territory Goods and Services Tax Act, the Government shall, transfer to the State tax account or the Union territory tax account, an amount equal to the amount transferred from the electronic cash ledger, in such manner and within such time as may be prescribed.”.

Amendment
of section 54.

103. In section 54 of the Central Goods and Services Tax Act, after sub-section (8), the following sub-section shall be inserted, namely:—

“(8A) The Government may disburse the refund of the State tax in such manner as may be prescribed.”.

104. In section 95 of the Central Goods and Services Tax Act,—

Amendment
of section 95.

(i) in clause (a),—

(a) after the words “Appellate Authority”, the words “or the National Appellate Authority” shall be inserted;

(b) after the words and figures “of section 100”, the words, figures and letter “or of section 101C” shall be inserted;

(ii) after clause (e), the following clause shall be inserted, namely:—

(f) “National Appellate Authority” means the National Appellate Authority for Advance Ruling referred to in section 101A.’.

105. After section 101 of the Central Goods and Services Tax Act, the following sections shall be inserted, namely:—

Insertion of
new sections
101A, 101B
and 101C.

“101A. (I) The Government shall, on the recommendations of the Council, by notification, constitute, with effect from such date as may be specified therein, an Authority known as the National Appellate Authority for Advance Ruling for hearing appeals made under section 101B.

Constitution
of National
Appellate
Authority for
Advance
Ruling.

(2) The National Appellate Authority shall consist of—

(i) the President, who has been a Judge of the Supreme Court or is or has been the Chief Justice of a High Court, or is or has been a Judge of a High Court for a period not less than five years;

(ii) a Technical Member (Centre) who is or has been a member of Indian Revenue (Customs and Central Excise) Service, Group A, and has completed at least fifteen years of service in Group A;

(iii) a Technical Member (State) who is or has been an officer of the State Government not below the rank of Additional Commissioner of Value Added Tax or the Additional Commissioner of State tax with at least three years of experience in the administration of an existing law or the State Goods and Services Tax Act or in the field of finance and taxation.

(3) The President of the National Appellate Authority shall be appointed by the Government after consultation with the Chief Justice of India or his nominee:

Provided that in the event of the occurrence of any vacancy in the office of the President by the reason of his death, resignation or otherwise, the senior most Member of the National Appellate Authority shall act as the President until the date on which a new President, appointed in accordance with the provisions of this Act to fill such vacancy, enters upon his office:

Provided further that where the President is unable to discharge his functions owing to absence, illness or any other cause, the senior most Member of the National Appellate Authority shall discharge the functions of the President until the date on which the President resumes his duties.

(4) The Technical Member (Centre) and Technical Member (State) of the National Appellate Authority shall be appointed by the Government on the recommendations of a Selection Committee consisting of such persons and in such manner as may be prescribed.

(5) No appointment of the Members of the National Appellate Authority shall be invalid merely by the reason of any vacancy or defect in the constitution of the Selection Committee.

(6) Before appointing any person as the President or Members of the National Appellate Authority, the Government shall satisfy itself that such person does not have any financial or other interests which are likely to prejudicially affect his functions as such President or Member.

(7) The salary, allowances and other terms and conditions of service of the President and the Members of the National Appellate Authority shall be such as may be prescribed:

Provided that neither salary and allowances nor other terms and conditions of service of the President or Members of the National Appellate Authority shall be varied to their disadvantage after their appointment.

(8) The President of the National Appellate Authority shall hold office for a term of three years from the date on which he enters upon his office, or until he attains the age of seventy years, whichever is earlier and shall also be eligible for reappointment.

(9) The Technical Member (Centre) or Technical Member (State) of the National Appellate Authority shall hold office for a term of five years from the date on which he enters upon his office, or until he attains the age of sixty-five years, whichever is earlier and shall also be eligible for reappointment.

(10) The President or any Member may, by notice in writing under his hand addressed to the Government, resign from his office:

Provided that the President or Member shall continue to hold office until the expiry of three months from the date of receipt of such notice by the Government, or until a person duly appointed as his successor enters upon his office or until the expiry of his term of office, whichever is the earliest.

(11) The Government may, after consultation with the Chief Justice of India, remove from the office such President or Member, who—

(a) has been adjudged an insolvent; or

(b) has been convicted of an offence which, in the opinion of such Government involves moral turpitude; or

(c) has become physically or mentally incapable of acting as such President or Member; or

(d) has acquired such financial or other interest as is likely to affect prejudicially his functions as such President or Member; or

(e) has so abused his position as to render his continuance in office prejudicial to the public interest:

Provided that the President or the Member shall not be removed on any of the grounds specified in clauses (d) and (e), unless he has been informed of the charges against him and has been given an opportunity of being heard.

(12) Without prejudice to the provisions of sub-section (11), the President and Technical Members of the National Appellate Authority shall not be removed from their office except by an order made by the Government on the ground of proven misbehaviour or incapacity after an inquiry made by a Judge of the Supreme Court nominated by the Chief Justice of India on a reference made to him by the Government and such President or Member had been given an opportunity of being heard.

(13) The Government, with the concurrence of the Chief Justice of India, may suspend from office, the President or Technical Members of the National Appellate Authority in respect of whom a reference has been made to the Judge of the Supreme Court under sub-section (12).

(14) Subject to the provisions of article 220 of the Constitution, the President or Members of the National Appellate Authority, on ceasing to hold their office, shall not be eligible to appear, act or plead before the National Appellate Authority where he was the President or, as the case may be, a Member.

101B. (1) Where, in respect of the questions referred to in sub-section (2) of section 97, conflicting Advance Rulings are given by the Appellate Authorities of two or more States or Union territories or both under sub-section (1) or sub-section (3) of section 101, any officer authorised by the Commissioner or an applicant, being distinct person referred to in section 25 aggrieved by such Advance Ruling, may prefer an appeal to National Appellate Authority:

Provided that the officer shall be from the States in which such Advance Rulings have been given.

(2) Every appeal under this section shall be filed within a period of thirty days from the date on which the ruling sought to be appealed against is communicated to the applicants, concerned officers and jurisdictional officers:

Provided that the officer authorised by the Commissioner may file appeal within a period of ninety days from the date on which the ruling sought to be appealed against is communicated to the concerned officer or the jurisdictional officer:

Provided further that the National Appellate Authority may, if it is satisfied that the appellant was prevented by a sufficient cause from presenting the appeal within the said period of thirty days, or as the case may be, ninety days, allow such appeal to be presented within a further period not exceeding thirty days.

Explanation.—For removal of doubts, it is clarified that the period of thirty days or as the case may be, ninety days shall be counted from the date of communication of the last of the conflicting rulings sought to be appealed against.

(3) Every appeal under this section shall be in such form, accompanied by such fee and verified in such manner as may be prescribed.

101C. (1) The National Appellate Authority may, after giving an opportunity of being heard to the applicant, the officer authorised by the Commissioner, all Principal Chief Commissioners, Chief Commissioners of Central tax and Chief Commissioner and Commissioner of State tax of all States and Chief Commissioner and Commissioner of Union territory tax of all Union territories, pass such order as it thinks fit, confirming or modifying the rulings appealed against.

(2) If the members of the National Appellate Authority differ in opinion on any point, it shall be decided according to the opinion of the majority.

(3) The order referred to in sub-section (1) shall be passed as far as possible within a period of ninety days from the date of filing of the appeal under section 101B.

(4) A copy of the Advance Ruling pronounced by the National Appellate Authority shall be duly signed by the Members and certified in such manner as may be prescribed and shall be sent to the applicant, the officer authorised by the Commissioner, the Board, the Chief Commissioner and Commissioner of State tax of all States and Chief Commissioner and Commissioner of Union territory tax of all Union territories and to the Authority or Appellate Authority, as the case may be, after such pronouncement.”.

106. In section 102 of the Central Goods and Services Tax Act, in the opening portion,—

(a) after the words “Appellate Authority”, at both the places where they occur, the words “or the National Appellate Authority” shall be inserted;

(b) after the words and figures “or section 101”, the words, figures and letter “or section 101C, respectively,” shall be inserted;

Appeal to
National
Appellate
Authority.

Order of
National
Appellate
Authority.

Amendment
of section
102.

(c) for the words “or the appellant”, the words “,appellant, the Authority or the Appellate Authority” shall be substituted.

Amendment
of section
103.

107. In section 103 of the Central Goods and Services Tax Act,—

(i) after sub-section (1), the following sub-section shall be inserted, namely:—

“(IA) The Advance Ruling pronounced by the National Appellate Authority under this Chapter shall be binding on—

(a) the applicants, being distinct persons, who had sought the ruling under sub-section (1) of section 101B and all registered persons having the same Permanent Account Number issued under the Income-tax Act, 1961;

43 of 1961.

(b) the concerned officers and the jurisdictional officers in respect of the applicants referred to in clause (a) and the registered persons having the same Permanent Account Number issued under the Income-tax Act, 1961.”;

43 of 1961.

(ii) in sub-section (2), after the words, brackets and figure “in sub-section (1)”, the words, brackets, figure and letter “and sub-section (IA)” shall be inserted.

108. In section 104 of the Central Goods and Services Tax Act, in sub-section (1),—

(a) after the words “Authority or the Appellate Authority”, the words “or the National Appellate Authority” shall be inserted;

(b) after the words and figures “of section 101”, the words, figures and letter “or under section 101C” shall be inserted.

109. In section 105 of the Central Goods and Services Tax Act,—

(a) for the marginal heading, the following marginal heading shall be substituted, namely:—

“Powers of Authority, Appellate Authority and National Appellate Authority.”;

(b) in sub-section (1), after the words “Appellate Authority”, the words “or the National Appellate Authority” shall be inserted;

(c) in sub-section (2), after the words “Appellate Authority”, the words “or the National Appellate Authority” shall be inserted.

110. In section 106 of the Central Goods and Services Tax Act,—

(a) for the marginal heading, the following marginal heading shall be substituted, namely:—

“Procedure of Authority, Appellate Authority and National Appellate Authority.”;

(b) after the words “Appellate Authority”, the words “or the National Appellate Authority” shall be inserted.

111. In section 168 of the Central Goods and Services Tax Act, in sub-section (2), after the word and figures “section 39,”, the words, brackets and figures “sub-section (1) of section 44, sub-sections (4) and (5) of section 52,” shall be inserted.

112. In section 171 of the Central Goods and Services Tax Act, after sub-section (3), the following shall be inserted, namely:—

‘(3A) Where the Authority referred to in sub-section (2), after holding examination as required under the said sub-section comes to the conclusion that any registered person has profiteered under sub-section (1), such person shall be liable to pay penalty equivalent to ten per cent. of the amount so profiteered:

Amendment
of section
106.

Amendment
of section
168.

Amendment
of section
171.

Provided that no penalty shall be leviable if the profiteered amount is deposited within thirty days of the date of passing of the order by the Authority.

Explanation.—For the purposes of this section, the expression “profiteered” shall mean the amount determined on account of not passing the benefit of reduction in rate of tax on supply of goods or services or both or the benefit of input tax credit to the recipient by way of commensurate reduction in the price of the goods or services or both.’.

12 of 2017.

113. (1) In the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 674(E), dated the 28th June, 2017, issued by the Central Government on the recommendations of the Council, under sub-section (1) of section 11 of the Central Goods and Services Tax Act, 2017, in the Schedule, after S. No. 103 and the entries relating thereto, the following S. No. and the entries shall be inserted and shall deemed to have been inserted retrospectively with effect from the 1st day of July, 2017, namely:—

(1)	(2)	(3)
“103A	26	Uranium Ore Concentrate”.

Amendment of notification number G.S.R. 674(E) issued under sub-section (1) of section 11 of Central Goods and Services Tax Act, retrospectively.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in sub-section (1) with retrospective effect as if the Central Government had the power to amend the said notification under sub-section (1) of section 11 of the said Act, retrospectively, at all material times.

(3) No refund shall be made of all such tax which has been collected, but which would not have been so collected, if the notification referred to in sub-section (1) had been in force at all material times.

Integrated Goods and Services Tax

13 of 2017.

114. After section 17 of the Integrated Goods and Services Tax Act, 2017, the following section shall be inserted, namely:—

Insertion of new section 17A.
Transfer of certain amounts.

“17A. Where any amount has been transferred from the electronic cash ledger under this Act to the electronic cash ledger under the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act, the Government shall transfer to the State tax account or the Union territory tax account, an amount equal to the amount transferred from the electronic cash ledger, in such manner and within such time, as may be prescribed.”.

13 of 2017.

115. (1) In the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 667(E), dated the 28th June, 2017, issued by the Central Government on the recommendations of the Council, under sub-section (1) of section 6 of the Integrated Goods and Services Tax Act, 2017, in the Schedule, after S. No. 103 and the entries relating thereto, the following S. No. and the entries shall be inserted and shall deemed to have been inserted retrospectively with effect from the 1st day of July, 2017, namely:—

(1)	(2)	(3)
“103A	26	Uranium Ore Concentrate”.

Amendment of notification number G.S.R. 667(E) issued under sub-section (1) of section 6 of Integrated Goods and Services Tax Act, retrospectively.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in sub-section (1) with retrospective effect as if the Central Government had the power to amend the said notification under sub-section (1) of section 6 of the said Act, retrospectively, at all material times.

(3) No refund shall be made of all such tax which has been collected, but which would not have been so collected, if the notification referred to in sub-section (1) had been in force at all material times.

Union Territory Goods and Services Tax

Amendment of notification number G.S.R. 711(E) issued under sub-section (1) of section 8 of Union Territory Goods and Services Tax Act, retrospectively.

116. (1) In the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 711(E), dated the 28th June, 2017, issued by the Central Government on the recommendations of the Council, under sub-section (1) of section 8 of the Union Territory Goods and Services Tax Act, 2017, in the Schedule, after S. No. 103 and the entries relating thereto, the following S. No. and the entries shall be inserted and shall deemed to have been inserted retrospectively with effect from the 1st day of July, 2017, namely:—

14 of 2017.

(1)	(2)	(3)
“103A	26	Uranium Ore Concentrate”.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notification referred to in sub-section (1) with retrospective effect as if the Central Government had the power to amend the said notification under sub-section (1) of section 8 of the said Act, retrospectively, at all material times.

(3) No refund shall be made of all such tax which has been collected, but which would not have been so collected, if the notification referred to in sub-section (1) had been in force at all material times.

Service Tax

Special provision for retrospective exemption from service tax on service by way of grant of liquor licence.

117. (1) Notwithstanding anything contained in section 66B of Chapter V of the Finance Act, 1994 as it stood prior to its omission *vide* section 173 of the Central Goods and Services Tax Act, 2017 with effect from the 1st day of July, 2017 (hereinafter referred to as the said Chapter), no service tax shall be levied or collected in respect of taxable service provided or agreed to be provided by the State Government by way of grant of liquor licence, against consideration in the form of licence fee or application fee, by whatever name called, during the period commencing from the 1st day of April, 2016 and ending with the 30th day of June, 2017 (both days inclusive).

32 of 1994.
12 of 2017.

(2) Refund shall be made of all such service tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times:

Provided that an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance (No. 2) Bill, 2019 receives the assent of the President.

(3) Notwithstanding the omission of the said Chapter, the provisions of the said Chapter shall apply for refund under this section retrospectively as if the said Chapter had been in force at all material times.

Special provision for retrospective exemption from service tax in certain cases relating to services provided by Indian Institutes of Management to students.

118. (1) Notwithstanding anything contained in section 66, as it stood prior to the 1st day of July, 2012, or in section 66B, as it stood prior to the 1st day of July, 2017, of Chapter V of the Finance Act, 1994, as it stood prior to its omission *vide* section 173 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the said Chapter), no service tax shall be levied or collected during the period commencing from the 1st day of July, 2003 and ending with the 31st day of March, 2016 (both days inclusive), in respect of taxable services provided or agreed to be provided by the Indian Institutes of Management to the students as per the guidelines of the Central Government, by way of the following educational programmes, except Executive Development Programme, namely:—

32 of 1994.
12 of 2017.

(a) two years full time Post Graduate Programmes in Management for the Post Graduate Diploma in Management, to which admissions are made on the basis of Common Admission Test conducted by the Indian Institute of Management;

(b) fellow programme in Management;

(c) five years integrated programme in Management.

(2) Refund shall be made of all such service tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times:

Provided that an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance (No. 2) Bill, 2019 receives the assent of the President.

(3) Notwithstanding the omission of the said Chapter, the provisions of the said Chapter shall apply for refund under this section retrospectively as if the said Chapter had been in force at all material times.

119. (1) Notwithstanding anything contained in section 66B of Chapter V of the Finance Act, 1994, as it stood prior to its omission *vide* section 173 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the said Chapter), no service tax shall be levied or collected on upfront amount, called as premium, salami, cost, price, development charges or by any other name, payable in respect of service by way of granting long term lease of thirty years or more of plots for development of infrastructure for financial business, provided or agreed to be provided by the State Government Industrial Development Corporations or Undertakings or by any other entity having fifty per cent. or more of the ownership of the Central Government or the State Government or the Union territory, either directly or through an entity which is wholly owned by the Central Government or the State Government or the Union territory, to the developers in any industrial or financial business area during the period commencing from the 1st day of October, 2013 and ending with the 30th day of June, 2017 (both days inclusive).

Special provision for retrospective exemption from service tax in certain cases relating to long term lease of plots for development of infrastructure for financial business.

(2) Refund shall be made of all such service tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times:

Provided that an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance (No. 2) Bill, 2019 receives assent of the President.

(3) Notwithstanding the omission of the said Chapter, the provisions of the said Chapter shall apply for refund under this section retrospectively as if the said Chapter had been in force at all material times.

CHAPTER V

SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME, 2019

120. (1) This Scheme shall be called the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 (hereafter in this Chapter referred to as the “Scheme”).

Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

121. In this Scheme, unless the context otherwise requires,—

Definitions.

(a) “amount declared” means the amount declared by the declarant under section 125;

(b) “amount estimated” means the amount estimated by the designated committee under section 127;

(c) “amount in arrears” means the amount of duty which is recoverable as arrears of duty under the indirect tax enactment, on account of—

(i) no appeal having been filed by the declarant against an order or an order in appeal before expiry of the period of time for filing appeal; or

(ii) an order in appeal relating to the declarant attaining finality; or

(iii) the declarant having filed a return under the indirect tax enactment on or before the 30th day of June, 2019, wherein he has admitted a tax liability but not paid it;

(d) “amount of duty” means the amount of central excise duty, the service tax and the cess payable under the indirect tax enactment;

(e) “amount payable” means the final amount payable by the declarant as determined by the designated committee and as indicated in the statement issued by it, in order to be eligible for the benefits under this Scheme and shall be calculated as the amount of tax dues less the tax relief;

(f) “appellate forum” means the Supreme Court or the High Court or the Customs, Excise and Service Tax Appellate Tribunal or the Commissioner (Appeals);

(g) “audit” means any scrutiny, verification and checks carried out under the indirect tax enactment, other than an enquiry or investigation, and will commence when a written intimation from the central excise officer regarding conducting of audit is received;

(h) “declarant” means a person who is eligible to make a declaration and files such declaration under section 125;

(i) “declaration” means the declaration filed under section 125;

(j) “departmental appeal” means the appeal filed by a central excise officer authorised to do so under the indirect tax enactment, before the appellate forum;

(k) “designated committee” means the committee referred to in section 126;

(l) “discharge certificate” means the certificate issued by the designated committee under section 127;

(m) “enquiry or investigation”, under any of the indirect tax enactment, shall include the following actions, namely:—

(i) search of premises;

(ii) issuance of summons;

(iii) requiring the production of accounts, documents or other evidence;

(iv) recording of statements;

(n) “indirect tax enactment” means the enactments specified in section 122;

(o) “order” means an order of determination under any of the indirect tax enactment, passed in relation to a show cause notice issued under such indirect tax enactment;

(p) “order in appeal” means an order passed by an appellate forum with respect to an appeal filed before it;

(q) “person” includes—

(i) an individual;

(ii) a Hindu undivided family;

(iii) a company;

(iv) a society;

(v) a limited liability partnership;

(vi) a firm;

(vii) an association of persons or body of individuals, whether incorporated or not;

(viii) the Government;

(ix) a local authority;

(x) an assessee as defined in rule 2 of the Central Excise Rules, 2002;

(xi) every artificial juridical person, not falling within any of the preceding clauses;

(r) “quantified”, with its cognate expression, means a written communication of the amount of duty payable under the indirect tax enactment;

(s) “statement” means the statement issued by the designated committee under section 127;

(t) “tax relief” means the amount of relief granted under section 124;

(u) all other words and expressions used in this Scheme, but not defined, shall have the same meaning as assigned to them in the indirect tax enactment and in case of any conflict between two or more such meanings in any indirect tax enactment, the meaning which is more congruent with the provisions of this Scheme shall be adopted.

122. This Scheme shall be applicable to the following enactments, namely:—

1 of 1944.
5 of 1986.
32 of 1994.

Application of
Scheme to
indirect tax
enactments.

(a) the Central Excise Act, 1944 or the Central Excise Tariff Act, 1985 or Chapter V of the Finance Act, 1994 and the rules made thereunder;

(b) the following Acts, namely:—

27 of 1940.

(i) the Agricultural Produce Cess Act, 1940;

7 of 1942.

(ii) the Coffee Act, 1942;

22 of 1946.

(iii) the Mica Mines Labour Welfare Fund Act, 1946;

24 of 1947.

(iv) the Rubber Act, 1947;

49 of 1953.

(v) the Salt Cess Act, 1953;

16 of 1955.

(vi) the Medicinal and Toilet Preparations (Excise Duties) Act, 1955;

58 of 1957.

(vii) the Additional Duties of Excise (Goods of Special Importance) Act, 1957;

57 of 1958.

(viii) the Mineral Products (Additional Duties of Excise and Customs) Act, 1958;

58 of 1959.

(ix) the Sugar (Special Excise Duty) Act, 1959;

41 of 1963.

(x) the Textiles Committee Act, 1963;

15 of 1966.

(xi) the Produce Cess Act, 1966;

62 of 1972.

(xii) the Limestone and Dolomite Mines Labour Welfare Fund Act, 1972;

28 of 1974.

(xiii) the Coal Mines (Conservation and Development) Act, 1974;

47 of 1974.

(xiv) the Oil Industry (Development) Act, 1974;

26 of 1975.

(xv) the Tobacco Cess Act, 1975;

55 of 1976.

(xvi) the Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Cess Act, 1976;

56 of 1976.

(xvii) the Bidi Workers Welfare Cess Act, 1976;

40 of 1978.

(xviii) the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978;

3 of 1982.

(xix) the Sugar Cess Act, 1982;

28 of 1983.

(xx) the Jute Manufacturers Cess Act, 1983;

2 of 1986.

(xxi) the Agricultural and Processed Food Products Export Cess Act, 1985;

(xxii) the Spices Cess Act, 1986;	11 of 1986.
(xxiii) the Finance Act, 2004;	22 of 2004.
(xxiv) the Finance Act, 2007;	17 of 2007.
(xxv) the Finance Act, 2015;	20 of 2015.
(xxvi) the Finance Act, 2016;	28 of 2016.

(c) any other Act, as the Central Government may, by notification in the Official Gazette, specify.

Tax dues.

123. For the purposes of the Scheme, “tax dues” means—

(a) where—

(i) a single appeal arising out of an order is pending as on the 30th day of June, 2019 before the appellate forum, the total amount of duty which is being disputed in the said appeal;

(ii) more than one appeal arising out of an order, one by the declarant and the other being a departmental appeal, which are pending as on the 30th day of June, 2019 before the appellate forum, the sum of the amount of duty which is being disputed by the declarant in his appeal and the amount of duty being disputed in the departmental appeal:

Provided that nothing contained in the above clauses shall be applicable where such an appeal has been heard finally on or before the 30th day of June, 2019.

Illustration 1: The show cause notice to a declarant was for an amount of duty of Rs.1000 and an amount of penalty of Rs.100. The order was for an amount of duty of Rs.1000 and amount of penalty of Rs.100. The declarant files an appeal against this order. The amount of duty which is being disputed is Rs.1000 and hence the tax dues are Rs.1000.

Illustration 2: The show cause notice to a declarant was for an amount of duty of Rs.1000 and an amount of penalty of Rs.100. The order was for an amount of duty of Rs.900 and penalty of Rs. 90. The declarant files an appeal against this order. The amount of duty which is being disputed is Rs. 900 and hence tax dues are Rs.900.

Illustration 3: The show cause notice to a declarant was for an amount of duty of Rs.1000 and an amount of penalty of Rs.100. The order was for an amount of duty of Rs. 900 and penalty of Rs. 90. The declarant files an appeal against this order of determination. The departmental appeal is for an amount of duty of Rs. 100 and penalty of Rs. 10. The amount of duty which is being disputed is Rs. 900 plus Rs. 100 i.e Rs. 1000 and hence tax dues are Rs. 1000.

Illustration 4: The show cause notice to a declarant was for an amount of duty of Rs. 1000. The order was for an amount of duty of Rs.1000. The declarant files an appeal against this order of determination. The first appellate authority reduced the amount of duty to Rs. 900. The declarant files a second appeal. The amount of duty which is being disputed is Rs. 900 and hence tax dues are Rs. 900;

(b) where a show cause notice under any of the indirect tax enactment has been received by the declarant on or before the 30th day of June, 2019, then, the amount of duty stated to be payable by the declarant in the said notice:

Provided that if the said notice has been issued to the declarant and other persons making them jointly and severally liable for an amount, then, the amount indicated in the said notice as jointly and severally payable shall be taken to be the amount of duty payable by the declarant;

(c) where an enquiry or investigation or audit is pending against the declarant, the amount of duty payable under any of the indirect tax enactment which has been quantified on or before the 30th day of June, 2019;

(d) where the amount has been voluntarily disclosed by the declarant, then, the total amount of duty stated in the declaration;

(e) where an amount in arrears relating to the declarant is due, the amount in arrears.

124. (1) Subject to the conditions specified in sub-section (2), the relief available to a declarant under this Scheme shall be calculated as follows:—

(a) where the tax dues are relatable to a show cause notice or one or more appeals arising out of such notice which is pending as on the 30th day of June, 2019, and if the amount of duty is,—

(i) rupees fifty lakhs or less, then, seventy per cent. of the tax dues;

(ii) more than rupees fifty lakhs, then, fifty per cent. of the tax dues;

(b) where the tax dues are relatable to a show cause notice for late fee or penalty only, and the amount of duty in the said notice has been paid or is nil, then, the entire amount of late fee or penalty;

(c) where the tax dues are relatable to an amount in arrears and,—

(i) the amount of duty is, rupees fifty lakhs or less, then, sixty per cent. of the tax dues;

(ii) the amount of duty is more than rupees fifty lakhs, then, forty per cent. of the tax dues;

(iii) in a return under the indirect tax enactment, wherein the declarant has indicated an amount of duty as payable but not paid it and the duty amount indicated is,—

(A) rupees fifty lakhs or less, then, sixty per cent. of the tax dues;

(B) amount indicated is more than rupees fifty lakhs, then, forty per cent. of the tax dues;

(d) where the tax dues are linked to an enquiry, investigation or audit against the declarant and the amount quantified on or before the 30th day of June, 2019 is—

(i) rupees fifty lakhs or less, then, seventy per cent. of the tax dues;

(ii) more than rupees fifty lakhs, then, fifty per cent. of the tax dues;

(e) where the tax dues are payable on account of a voluntary disclosure by the declarant, then, no relief shall be available with respect to tax dues.

(2) The relief calculated under sub-section (1) shall be subject to the condition that any amount paid as predeposit at any stage of appellate proceedings under the indirect tax enactment or as deposit during enquiry, investigation or audit, shall be deducted when issuing the statement indicating the amount payable by the declarant:

Provided that if the amount of predeposit or deposit already paid by the declarant exceeds the amount payable by the declarant, as indicated in the statement issued by the designated committee, the declarant shall not be entitled to any refund.

125. (1) All persons shall be eligible to make a declaration under this Scheme except the following, namely:—

(a) who have filed an appeal before the appellate forum and such appeal has been heard finally on or before the 30th day of June, 2019;

Relief available under Scheme.

Declaration under Scheme.

- (b) who have been convicted for any offence punishable under any provision of the indirect tax enactment for the matter for which he intends to file a declaration;
- (c) who have been issued a show cause notice, under indirect tax enactment and the final hearing has taken place on or before the 30th day of June, 2019;
- (d) who have been issued a show cause notice under indirect tax enactment for an erroneous refund or refund;
- (e) who have been subjected to an enquiry or investigation or audit and the amount of duty involved in the said enquiry or investigation or audit has not been quantified on or before the 30th day of June, 2019;
- (f) a person making a voluntary disclosure,—
 - (i) after being subjected to any enquiry or investigation or audit; or
 - (ii) having filed a return under the indirect tax enactment, wherein he has indicated an amount of duty as payable, but has not paid it;
- (g) who have filed an application in the Settlement Commission for settlement of a case;
- (h) persons seeking to make declarations with respect to excisable goods set forth in the Fourth Schedule to the Central Excise Act, 1944.

1 of 1944.

(2) A declaration under sub-section (1) shall be made in such electronic form as may be prescribed.

Verification of declaration by designated committee.

126. (1) The designated committee shall verify the correctness of the declaration made by the declarant under section 125 in such manner as may be prescribed:

Provided that no such verification shall be made in case where a voluntary disclosure of an amount of duty has been made by the declarant.

(2) The composition and functioning of the designated committee shall be such as may be prescribed.

127. (1) Where the amount estimated to be payable by the declarant, as estimated by the designated committee, equals the amount declared by the declarant, then, the designated committee shall issue in electronic form, a statement, indicating the amount payable by the declarant, within a period of sixty days from the date of receipt of the said declaration.

(2) Where the amount estimated to be payable by the declarant, as estimated by the designated committee, exceeds the amount declared by the declarant, then, the designated committee shall issue in electronic form, an estimate of the amount payable by the declarant within thirty days of the date of receipt of the declaration.

(3) After the issue of the estimate under sub-section (2), the designated committee shall give an opportunity of being heard to the declarant, if he so desires, before issuing the statement indicating the amount payable by the declarant:

Provided that on sufficient cause being shown by the declarant, only one adjournment may be granted by the designated committee.

(4) After hearing the declarant, a statement in electronic form indicating the amount payable by the declarant, shall be issued within a period of sixty days from the date of receipt of the declaration.

(5) The declarant shall pay electronically through internet banking, the amount payable as indicated in the statement issued by the designated committee, within a period of thirty days from the date of issue of such statement.

(6) Where the declarant has filed an appeal or reference or a reply to the show cause notice against any order or notice giving rise to the tax dues, before the appellate forum,

Issue of statement by designated committee.

other than the Supreme Court or the High Court, then, notwithstanding anything contained in any other provisions of any law for the time being in force, such appeal or reference or reply shall be deemed to have been withdrawn.

(7) Where the declarant has filed a writ petition or appeal or reference before any High Court or the Supreme Court against any order in respect of the tax dues, the declarant shall file an application before such High Court or the Supreme Court for withdrawing such writ petition, appeal or reference and after withdrawal of such writ petition, appeal or reference with the leave of the Court, he shall furnish proof of such withdrawal to the designated committee, in such manner as may be prescribed, along with the proof of payment referred to in sub-section (5).

(8) On payment of the amount indicated in the statement of the designated committee and production of proof of withdrawal of appeal, wherever applicable, the designated committee shall issue a discharge certificate in electronic form, within thirty days of the said payment and production of proof.

128. Within thirty days of the date of issue of a statement indicating the amount payable by the declarant, the designated committee may modify its order only to correct an arithmetical error or clerical error, which is apparent on the face of record, on such error being pointed out by the declarant or *suo motu*, by the designated committee.

Rectification
of errors.

129. (1) Every discharge certificate issued under section 126 with respect to the amount payable under this Scheme shall be conclusive as to the matter and time period stated therein, and—

Issue of
discharge
certificate to
be conclusive
of matter and
time period.

(a) the declarant shall not be liable to pay any further duty, interest, or penalty with respect to the matter and time period covered in the declaration;

(b) the declarant shall not be liable to be prosecuted under the indirect tax enactment with respect to the matter and time period covered in the declaration;

(c) no matter and time period covered by such declaration shall be reopened in any other proceeding under the indirect tax enactment.

(2) Notwithstanding anything contained in sub-section (1),—

(a) no person being a party in appeal, application, revision or reference shall contend that the central excise officer has acquiesced in the decision on the disputed issue by issuing the discharge certificate under this scheme;

(b) the issue of the discharge certificate with respect to a matter for a time period shall not preclude the issue of a show cause notice,—

(i) for the same matter for a subsequent time period; or

(ii) for a different matter for the same time period;

(c) in a case of voluntary disclosure where any material particular furnished in the declaration is subsequently found to be false, within a period of one year of issue of the discharge certificate, it shall be presumed as if the declaration was never made and proceedings under the applicable indirect tax enactment shall be instituted.

130. (1) Any amount paid under this Scheme,—

Restrictions of
Scheme.

(a) shall not be paid through the input tax credit account under the indirect tax enactment or any other Act;

(b) shall not be refundable under any circumstances;

(c) shall not, under the indirect tax enactment or under any other Act,—

(i) be taken as input tax credit; or

(ii) entitle any person to take input tax credit, as a recipient, of the excisable goods or taxable services, with respect to the matter and time period covered in the declaration.

(2) In case any predeposit or other deposit already paid exceeds the amount payable as indicated in the statement of the designated committee, the difference shall not be refunded.

Removal of doubts.

131. For the removal of doubts, it is hereby declared that, save as otherwise expressly provided in sub-section (1) of section 124, nothing contained in this Scheme shall be construed as conferring any benefit, concession or immunity on the declarant in any proceedings other than those in relation to the matter and time period to which the declaration has been made.

Power to make rules.

132. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Scheme.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the form in which a declaration may be made and the manner in which such declaration may be verified;

(b) the manner of constitution of the designated committee and its rules of procedure and functioning;

(c) the form and manner of estimation of amount payable by the declarant and the procedure relating thereto;

(d) the form and manner of making the payment by the declarant and the intimation regarding the withdrawal of appeal;

(e) the form and manner of the discharge certificate which may be granted to the declarant;

(f) the manner in which the instructions may be issued and published;

(g) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made, by rules.

(3) The Central Government shall cause every rule made under this Scheme to be laid, as soon as may be after it is made, before each House of Parliament, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Power to issue orders, instructions, etc.

133. (1) The Central Board of Indirect Taxes and Customs may, from time to time, issue such orders, instructions and directions to the authorities, as it may deem fit, for the proper administration of this Scheme, and such authorities, and all other persons employed in the execution of this Scheme shall observe and follow such orders, instructions and directions:

Provided that no such orders, instructions or directions shall be issued so as to require any designated authority to dispose of a particular case in a particular manner.

(2) Without prejudice to the generality of the foregoing power, the Central Board of Indirect Taxes and Customs may, if it considers necessary or expedient so to do, for the purpose of proper and efficient administration of the Scheme and collection of revenue, issue, from time to time, general or special orders in respect of any class of cases, setting forth directions or instructions as to the guidelines, principles or procedures to be followed by the authorities in the work relating to administration of the Scheme and collection of

revenue and any such order may, if the said Board is of opinion that it is necessary in the public interest so to do, be published in the prescribed manner.

134. (1) If any difficulty arises in giving effect to the provisions of this Scheme, the Central Government may, by order, not inconsistent with the provisions of this Scheme, remove the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the date on which the provisions of this Scheme come into force.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

135. (1) No suit, prosecution or other legal proceeding shall lie against the Central Government or any officer of the Central Government for anything which is done, or intended to be done in good faith, in pursuance of this Scheme or any rule made thereunder.

Protection to officers.

(2) No proceeding, other than a suit shall be commenced against the Central Government or any officer of the Central Government for anything done or purported to have been done in pursuance of this Scheme, or any rule made thereunder, without giving the Central Government or such officer a prior notice of not less than one month in writing of the intended proceeding and of the cause thereof, or after the expiration of three months from the accrual of such cause.

(3) No proceeding shall be commenced against any officer only on the ground of subsequent detection of an error in calculating the amount of duty payable by the declarant, unless there is evidence of misconduct.

CHAPTER VI

MISCELLANEOUS

PART I

AMENDMENTS TO THE RESERVE BANK OF INDIA ACT, 1934

136. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Commencement of this Part.

2 of 1934.

137. In the Reserve Bank of India Act, 1934 (hereafter in this Part referred to as the principal Act), in section 45-IA, in sub-section (1), for clause (b), the following shall be substituted, namely:—

Amendment of section 45-IA.

“(b) having the net owned fund of twenty-five lakh rupees or such other amount, not exceeding hundred crore rupees, as the Bank may, by notification in the Official Gazette, specify:

Provided that the Bank may notify different amounts of net owned fund for different categories of non-banking financial companies.”.

138. After section 45-IC of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 45-ID and 45-IE.

“45-ID. (1) Where the Bank is satisfied that in the public interest or to prevent the affairs of a non-banking financial company being conducted in a manner detrimental to the interest of the depositors or creditors, or financial stability or for securing the proper management of such company, it is necessary so to do, the Bank may, by order and for reasons to be recorded in writing, remove from office, a director (by whatever name called) of such company, other than Government owned non-banking financial company with effect from such date as may be specified in the said order.

Power of Bank to remove directors from office.

(2) No order under sub-section (1) shall be made unless the director concerned has been given a reasonable opportunity of making a representation to the Bank against the proposed order:

Provided that if, in the opinion of the Bank, any delay will be detrimental to the interest of the said company or its depositors, the Bank may, at the time of giving the aforesaid opportunity or at any time thereafter, by order direct that, pending the consideration of the representation, if any, the director, shall not, with effect from the date of such order—

(a) act as such director of that company;

(b) in any way, whether directly or indirectly, be concerned with or take part in the management of that company.

(3) Where any order is made in respect of a director of a company under sub-section (1), he shall cease to be a director of that non-banking financial company and shall not, in any way, whether directly or indirectly, be concerned with, or take part in the management of any non-banking financial company for such period not exceeding five years at a time as may be specified in the order.

(4) Where an order under sub-section (1) has been made, the Bank may, by order in writing, appoint a suitable person in place of the director, who has been so removed from his office, with effect from such date as may be specified in such order.

(5) Any person appointed under sub-section (4) shall,—

(a) hold office during the pleasure of the Bank and subject thereto for a period not exceeding three years or such further periods not exceeding three years at a time;

(b) not incur any obligation or liability by reason only of his being a director for anything done or omitted to be done in good faith in the execution of the duties of his office or in relation thereto.

(6) Notwithstanding anything contained in any other law for the time being in force or in any contract, memorandum or articles of association, on the removal of a director from office under this section, such director shall not be entitled to claim any compensation for the loss or termination from office.

Supersession
of Board of
directors of
non-banking
financial
company
(other than
Government
Company).

45-IE. (1) Where the Bank is satisfied that in the public interest or to prevent the affairs of a non-banking financial company being conducted in a manner detrimental to the interest of the depositors or creditors, or of the non-banking financial company (other than Government Company), or for securing the proper management of such company or for financial stability, it is necessary so to do, the Bank may, for reasons to be recorded in writing, by order, supersede the Board of Directors of such company for a period not exceeding five years as may be specified in the order, which may be extended from time to time, so, however, that the total period shall not exceed five years.

(2) The Bank may, on supersession of the Board of Directors of the non-banking financial company under sub-section (1), appoint a suitable person as the Administrator for such period as it may determine.

(3) The Bank may issue such directions to the Administrator as it may deem appropriate and the Administrator shall be bound to follow such directions.

(4) Upon making the order of supersession of the Board of Directors of a non-banking financial company,—

(a) the chairman, managing director and other directors shall from the date of supersession of the Board of Directors vacate their offices;

(b) all the powers, functions and duties, which may, by or under the provisions of this Act or any other law for the time being in force, be exercised and discharged by or on behalf of the Board of Directors of such non-banking

financial company or by a resolution passed in general meeting of such non-banking financial company, shall, until the Board of Directors of such company is reconstituted, be exercised and discharged by the Administrator referred to in sub-section (2).

(5) (a) The Bank may constitute a committee consisting of three or more members who have experience in law, finance, banking, administration or accountancy to assist the Administrator in discharge of his duties.

(b) The committee shall meet at such times and places and observe such rules of procedure as may be specified by the Bank.

(6) The salary and allowances payable to the Administrator and the members of the committee constituted by the Bank shall be such as may be specified by the Bank and be paid by the concerned non-banking financial company.

(7) On or before the expiration of the period of supersession of the Board of Directors as specified in the order issued under sub-section (1), the Administrator of the non-banking financial company shall facilitate reconstitution of the Board of Directors of the non-banking financial company.

(8) Notwithstanding anything contained in any other law for the time being in force or in any contract, no person shall be entitled to claim any compensation for the loss or termination of his office.

(9) The Administrator referred to in sub-section (2) shall vacate office immediately after the Board of Directors of the non-banking financial company has been reconstituted.”.

139. After section 45MA of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 45MAA.

“45MAA. Where any auditor fails to comply with any direction given or order made by the Bank under section 45MA, the Bank, may, if satisfied, remove or debar the auditor from exercising the duties as auditor of any of the Bank regulated entities for a maximum period of three years, at a time.”.

Power to take action against auditors.

140. After section 45MB of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 45MBA.

‘45MBA. (1) Without prejudice to any other provision of this Act or any other law for the time being in force, the Bank may, if it is satisfied, upon an inspection of the Books of a non-banking financial company that it is in the public interest or in the interest of financial stability so to do for enabling the continuance of the activities critical to the functioning of the financial system, frame schemes which may provide for any one or more of the following, namely:—

Resolution of non-banking financial company.

(a) amalgamation with any other non-banking institution;

(b) reconstruction of the non-banking financial company;

(c) splitting the non-banking financial company into different units or institutions and vesting viable and non-viable businesses in separate units or institutions to preserve the continuity of the activities of that non-banking financial company that are critical to the functioning of the financial system and for such purpose establish institutions called “Bridge Institutions”.

Explanation.—For the purposes of this sub-section, “Bridge Institutions” mean temporary institutional arrangement made under the scheme referred to in

this sub-section, to preserve the continuity of the activities of a non-banking financial company that are critical to the functioning of the financial system.

(2) Without prejudice to the generality of the foregoing provisions, the scheme referred to in sub-section (1) may provide for—

(a) reduction of the pay and allowances of the chief executive officer, managing director, chairman or any officer in the senior management of the non-banking financial company;

(b) cancellation of all or some of the shares of the non-banking financial company held by the chief executive officer, managing director, chairman or any officer in the senior management of the non-banking financial company or their relatives;

(c) sale of any of the assets of the non-banking financial company.

(3) The chief executive officer, managing director, chairman or any officer in the senior management of the non-banking financial company whose pay and allowances are reduced or the shareholders whose shares are cancelled under the scheme shall not be entitled to any compensation.'

Insetion of new section 45NAA.

Power in respect of group companies.

141. After section 45NA of the principal Act, the following section shall be inserted, namely:—

"45NAA. (1) The Bank may, at any time, direct a non-banking financial company to annex to its financial statements or furnish separately, within such time and at such intervals as may be specified by the Bank, such statements and information relating to the business or affairs of any group company of the non-banking financial company as the Bank may consider necessary or expedient to obtain for the purposes of this Act.

(2) Notwithstanding anything to the contrary contained in the Companies Act, 2013, the Bank may, at any time, cause an inspection or audit to be made of any group company of a non-banking financial company and its books of account.

18 of 2013.

Explanation.—For the purposes of this section,—

(a) "group company" shall mean an arrangement involving two or more entities related to each other through any of the following relationships, namely:—

(i) subsidiary— parent (as may be notified by the Bank in accordance with Accounting Standards);

(ii) joint venture (as may be notified by the Bank in accordance with Accounting Standards);

(iii) associate (as may be notified by the Bank in accordance with Accounting Standards);

(iv) promoter-promotee (under the Securities and Exchange Board of India Act, 1992 or the rules or regulations made thereunder for listed companies);

15 of 1992.

(v) related party;

(vi) common brand name (that is usage of a registered brand name of an entity by another entity for business purposes); and

(vii) investment in equity shares of twenty per cent. and above in the entity;

(b) "Accounting Standards" means the Accounting Standards notified by the Central Government under section 133, read with section 469 of the Companies Act, 2013 and sub-section (1) of section 210A of the Companies Act, 1956."

18 of 2013.

1 of 1956.

142. In section 58B of the principal Act,—

- (i) in sub-section (2), for the words “two thousand rupees” and “one hundred rupees”, the words “one lakh rupees” and “five thousand rupees” shall respectively be substituted;
- (ii) in sub-section (4A), for the words “five lakh rupees”, the words “twenty-five lakh rupees” shall be substituted;
- (iii) in sub-section (4AA), for the words “five thousand rupees”, the words “ten lakh rupees” shall be substituted;
- (iv) in sub-section (4AAA), for the words “rupees fifty”, the words “five thousand rupees” shall be substituted;
- (v) in sub-section (5),—
- (A) in clause (a), for the words “any deposit”, the words “any deposit without being authorised so to do or” shall be substituted;
- (B) in clause (b), for the word, figures and letters “section 45NA”, the word, figures and letter “section 45J” shall be substituted;
- (vi) in sub-section (6), for the words “two thousand rupees” and “one hundred rupees”, the words “one lakh rupees” and “ten thousand rupees” shall respectively be substituted.

143. In section 58G of the principal Act, in sub-section (1),—

- (A) in clause (a), for the words “five thousand”, the words “twenty-five thousand” shall be substituted;
- (B) in clause (b), for the words “five lakh” and “twenty-five thousand”, the words “ten lakh” and “one lakh” respectively shall be substituted.

Amendment
of section
58B.

Amendment
of section
58G.

144. In the Insurance Act, 1938, in section 6, after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) No insurer, being a foreign company engaged in re-insurance business through a branch established in an International Financial Services Centre referred to in sub-section (1) of section 18 of the Special Economic Zones Act, 2005, shall be registered unless it has net owned funds of not less than rupees one thousand crore.”.

28 of 2005.

Amendment
of Act 4 of
1938.

PART II

AMENDMENT TO THE INSURANCE ACT, 1938

145. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Commencement
of this Part.

146. In the Securities Contracts (Regulation) Act, 1956, in section 23A, in clause (a), for the words “report to a recognised stock exchange, fails to furnish the same within the time specified therefor in the listing agreement or conditions or bye-laws of the recognised stock exchange or who furnishes”, the words “report to a recognised stock exchange or to the Board, fails to furnish the same within the time specified therefor in the listing agreement or conditions or bye-laws of the recognised stock exchange or the Act or rules made thereunder, or who furnishes” shall be substituted.

Amendment
of Act 42 of
1956.

PART III

AMENDMENT TO THE BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1970

147. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Commencement
of this Part.

Amendment of
Act 5 of 1970.

148. In the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, in section 9, in sub-section (3), for clause (a), the following clause shall be substituted, namely:—

‘(a) not more than five whole-time directors to be appointed by the Central Government after consultation with the Reserve Bank:

Provided that the Central Government, may, after consultation with the Reserve Bank, by notification published in the Official Gazette, post a whole-time director so appointed to any other corresponding new bank.

Explanation.—For the purposes of this clause, the expression “corresponding new bank” shall include a “corresponding new bank” as defined in clause (b) of section 2 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980;’.

PART V

AMENDMENT TO THE GENERAL INSURANCE BUSINESS (NATIONALISATION) ACT, 1972

Amendment of
Act 57 of
1972.

149. In the General Insurance Business (Nationalisation) Act, 1972, in section 16, in sub-section (2), for the words “only four companies”, the words “up to four companies” shall be substituted.

PART VI

AMENDMENT TO THE BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1980

Commencement
of this Part.

150. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Amendment of
Act 40 of
1980.

151. In the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, in section 9, in sub-section (3), for clause (a), the following clause shall be substituted, namely:—

‘(a) not more than five whole-time directors to be appointed by the Central Government after consultation with the Reserve Bank:

Provided that the Central Government, may, after consultation with the Reserve Bank, by notification published in the Official Gazette, post a whole-time director so appointed to any other corresponding new bank.

Explanation.— For the purposes of this clause, the expression “corresponding new bank” shall include a “corresponding new bank” as defined in clause (d) of section 2 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970;’.

PART VII

AMENDMENTS TO THE NATIONAL HOUSING BANK ACT, 1987

Commencement
of this Part.

152. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Substitution of
heading of
Chapter V.

153. In the National Housing Bank Act, 1987 (hereafter in this Part referred to as the principal Act), in Chapter V, for the heading, the following heading shall be substituted, namely:—

53 of 1987.

“PROVISIONS RELATING TO HOUSING FINANCE INSTITUTIONS”

Amendment
of section
29A.

154. In section 29A of the principal Act,—

(a) for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:—

“(1) Notwithstanding anything contained in this Chapter or in any other law for the time being in force, no housing finance institution which is a company shall commence housing finance as its principal business or carry on the business of housing finance as its principal business without—

(a) obtaining a certificate of registration issued under this Chapter;
and

(b) having the net owned fund of ten crore rupees or such other higher amount, as the Reserve Bank may, by notification, specify.

(2) Every housing finance institution which is a company shall make an application for registration to the Reserve Bank in such form as may be specified by the Reserve Bank:

Provided that an application made by a housing finance institution which is a company to the National Housing Bank and pending for consideration with the National Housing Bank as on the date of commencement of the provisions of Part VII of Chapter VI of the Finance (No.2) Act, 2019, shall stand transferred to the Reserve Bank and thereupon the application shall be deemed to have been made under the provisions of this sub-section and shall be dealt with accordingly:

Provided further that the provisions of this sub-section shall not apply to the housing finance institution which is a company and having a valid registration certificate granted under sub-section (5) on the date of commencement of the provisions of Part VII of Chapter VI of the Finance (No.2) Act, 2019, and such housing finance institution shall be deemed to have been granted a certificate of registration under the provision of this Act.”;

(b) sub-section (3) shall be omitted;

(c) in sub-section (4),—

(i) for the words “National Housing Bank” at both the places where they occur, the words “Reserve Bank” shall be substituted;

(ii) after clause (g), the following proviso shall be inserted, namely:—

“Provided that the Reserve Bank may, wherever it considers necessary so to do, require the National Housing Bank to inspect the books of such housing finance institution and submit a report to the Reserve Bank for the purpose of considering the application.”;

(d) in sub-section (5), for the words “National Housing Bank”, the words “Reserve Bank” shall be substituted;

(e) in sub-section (6),—

(i) in the opening portion, for the words “National Housing Bank”, the words “Reserve Bank” shall be substituted;

(ii) in clause (iv), for the words “National Housing Bank” wherever they occur, the words “Reserve Bank or the National Housing Bank” shall be substituted;

(iii) in the first proviso,—

(A) for the words “housing finance institution” at both the places where they occur, the words “housing finance institution which is a company” shall be substituted;

(B) for the words “National Housing Bank” at both the places where they occur, the words “Reserve Bank” shall be substituted;

(f) in sub-section (7),—

(i) for the words “National Housing Bank”, the words “Reserve Bank” shall be substituted;

(ii) in the *Explanation*,—

(A) in clause (I), in sub-clause (b), in item (I), for sub-item (iii), the following sub-item shall be substituted, namely:—

“(iii) all other housing finance companies; and”;

(B) for clause (II), the following clause shall be substituted, namely—

'(II) the expressions "subsidiaries" and "companies in the same group" shall have the meanings respectively assigned to them in the Companies Act, 2013:

18 of 2013.

Provided that the National Housing Bank shall, in consultation with the Reserve Bank, specify the companies to be deemed to be in the same group.'

Amendment
of section
29B.

155. In section 29B of the principal Act,—

(i) for the words "housing finance institution" wherever they occur, the words "housing finance institution which is a company" shall be substituted;

(ii) in sub-section (1), for the words "National Housing Bank", the words "Reserve Bank" shall be substituted;

(iii) in sub-section (2), for the words "such higher percentage not exceeding twenty-five per cent., as the National Housing Bank may", the words "such higher percentage not exceeding twenty-five per cent., as the Reserve Bank may" shall be substituted;

(iv) in sub-section (3), for the words "National Housing Bank" at both the places where they occur, the words "Reserve Bank" shall be substituted.

Amendment
of section
29C.

156. In section 29C of the principal Act, in sub-section (2),—

(a) for the words "specified by the National Housing Bank", the words "specified by the Reserve Bank" shall be substituted;

(b) for the words "reported to the National Housing Bank", the words "reported to the National Housing Bank and the Reserve Bank" shall be substituted;

(c) in the proviso, for the words "Provided that the National Housing Bank", the words "Provided that the National Housing Bank or the Reserve Bank" shall be substituted;

(d) in sub-section (3), for the words "the National Housing Bank", the words "the Reserve Bank" shall be substituted.

Substitution of
section 30.

157. For section 30 of the principal Act, the following section shall be substituted, namely:—

Reserve Bank
to regulate or
prohibit issue
of prospectus
or
advertisement
soliciting
deposits of
money.

"30. The Reserve Bank may, if it considers necessary in the public interest so to do, by general or special order,—

(a) regulate or prohibit the issue by any housing finance institution which is a company of any prospectus or advertisement soliciting deposits of money from the public; and

(b) specify the conditions subject to which any such prospectus or advertisement, if not prohibited, may be issued.".

Substitution of
section 30A.

158. For section 30A of the principal Act, the following section shall be substituted, namely:—

Power of
Reserve Bank
to determine
policy and
issue
directions.

"30A. (1) If the Reserve Bank is satisfied that, in the public interest or to regulate the housing finance system of the country to its advantage or to prevent the affairs of any housing finance institution which is a company being conducted in a manner detrimental to the interest of the depositors or in a manner prejudicial to the interest of such housing finance institutions, it is necessary or expedient so to do, it may determine the policy and give directions to all or any of the housing finance institution which is a company relating to income recognition, accounting standards, making of proper

provision for bad and doubtful debts, capital adequacy based on risk weights for assets and credit conversion factors for off balance-sheet items and also relating to deployment of funds by a housing finance institution which is a company or a group of such housing finance institutions or housing finance institutions which are companies generally, as the case may be, and such housing finance institutions shall be bound to follow the policy so determined and the direction so issued.

(2) Without prejudice to the generality of the powers vested under sub-section (1), the Reserve Bank may give directions to housing finance institutions which are companies generally or to a group of such housing finance institutions or to any housing finance institution which is a company in particular as to—

(a) the purpose for which advances or other fund-based or non-fund-based accommodation may not be made; and

(b) the maximum amount of advances or other financial accommodation or investment in shares and other securities which, having regard to the paid-up capital, reserves and deposits of the housing finance institution and other relevant considerations, may be made by that housing finance institution to any person or a company or to a group of companies.

(3) The Reserve Bank may, if it considers necessary in the public interest so to do, issue directions to housing finance institutions which are companies accepting deposits referred to in section 31, either generally or to any group of such housing finance institutions accepting deposits, and in particular, in respect of any matters relating to, or connected with, the receipt of deposits, including credit rating of the housing finance institution which is a company accepting deposits, the rates of interest payable on such deposits, and the periods for which deposits may be received.

(4) If any housing finance institution which is a company accepting deposits fails to comply with any direction issued under sub-section (3), the Reserve Bank may, by order, prohibit the acceptance of deposits by that housing finance institution.”.

159. For section 31 of the principal Act, the following section shall be substituted, namely:—

“31. (1) The National Housing Bank may at any time direct that every housing finance institution which is a company accepting deposits shall furnish to the National Housing Bank and the Reserve Bank in such form, at such intervals and within such time, such statements, information or particulars relating to or connected with deposits received by such housing finance institution, as may be specified by the National Housing Bank by general or special order.

(2) Without prejudice to the generality of the power vested in the National Housing Bank under sub-section (1), the statements, information or particulars to be furnished under sub-section (1), may relate to all or any of the following matters, namely, the amount of the deposits, the purposes and periods for which, and the rates of interest and other terms and conditions on which, such deposits are received.

(3) Every housing finance institution which is a company receiving deposits, shall, if so required by the National Housing Bank and within such time as the National Housing Bank may specify, cause to be sent at the cost of such housing finance institution, a copy of its annual balance-sheet and profit and loss account or other annual accounts to every person from whom the housing finance institution which is a company holds, as on the last day of the year to which the accounts relate, deposits higher than such sum as may be specified by the National Housing Bank.”.

Substitution of
section 31.

Power of
National
Housing Bank
to collect
information
from housing
finance
institutions as
to deposits.

Substitution of
section 32.

Duty of housing
finance
institution to
furnish
statements, etc.,
under this
Chapter.

Amendment
of section 33.

160. For section 32 of the principal Act, the following section shall be substituted, namely:—

“32. Every housing finance institution which is a company shall furnish the statements, information or particulars called for by the National Housing Bank or the Reserve Bank, as the case may be, and shall comply with any direction given to it under the provisions of this Chapter.”.

161. In section 33 of the principal Act,—

(a) in sub-section (1),—

(i) for the words “housing finance institution” wherever they occur, the words “housing finance institution which is a company” shall be substituted;

(ii) for the words “the National Housing Bank” at both the places where they occur, the words “the National Housing Bank and the Reserve Bank” shall be substituted;

(b) in sub-section (IA), for the words “National Housing Bank”, the words “Reserve Bank” shall be substituted;

(c) in sub-section (2), for the words “the National Housing Bank” at both the places where they occur, the words “the National Housing Bank and the Reserve Bank” shall be substituted;

(d) in sub-section (3), for the words “it may at any time”, the words “it may at any time and shall, on being directed to do so by the Reserve Bank,” shall be substituted.

Substitution of
section 33A.

162. For section 33A of the principal Act, the following section shall be substituted, namely:—

Power of
Reserve Bank
to prohibit
acceptance of
deposit and
alienation of
assets.

“33A. (1) If any housing finance institution which is a company violates the provisions of any section or fails to comply with any direction or order given by the National Housing Bank or the Reserve Bank, under any of the provisions of this Chapter, the Reserve Bank may, by order, prohibit such housing finance institution from accepting any deposit.

(2) Notwithstanding anything to the contrary contained in any agreement or instrument or any law for the time being in force, the Reserve Bank on being satisfied that it is necessary so to do in the public interest or in the interest of the depositors, may direct the housing finance institution which is a company, against which an order prohibiting from accepting deposit has been issued, not to sell, transfer, create charge or mortgage or deal in any manner with its property and assets without prior written permission of the National Housing Bank for such period not exceeding six months from the date of the order.”.

Amendment
of section
33B.

163. In section 33B of the principal Act,—

(i) in sub-section (1), in clause (c), for the words “the National Housing Bank”, the words “the National Housing Bank or the Reserve Bank” shall be substituted;

(ii) in sub-section (3), for the words “the Registrar of Companies”, the words “the Registrar of Companies and the Reserve Bank” shall be substituted.

Amendment
of section 34.

164. In section 34 in the principal Act,—

(i) for the words “at any time”, the words “at any time or on being directed so to do by the Reserve Bank, shall” shall be substituted;

(ii) for the words “housing finance institution accepting deposits” at both the places where they occur, the words “housing finance institution which is a company” shall be substituted;

(iii) after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) The National Housing Bank shall submit a copy of the report of inspection referred to in sub-section (1) to the Reserve Bank.”.

165. In section 35 of the principal Act,—

(i) in the opening portion, for the words “housing finance institution”, the words “housing finance institution which is a company” shall be substituted;

(ii) in clause (b), for the words “National Housing Bank”, the words “Reserve Bank” shall be substituted.

166. In section 35A of the principal Act,—

(a) for the words “housing finance institution” wherever they occur, the words “housing finance institution which is a company” shall be substituted;

(b) for the words “the National Housing Bank” wherever they occur, the words “the National Housing Bank or the Reserve Bank, as the case may be,” shall be substituted.

167. For section 35B of the principal Act, the following section shall be substituted, namely:—

“35B. (1) The Reserve Bank, on being satisfied that it is necessary so to do, may declare by notification that all or any of the provisions of this Chapter shall not apply to a housing finance institution which is a company or a group of such housing finance institutions either generally or for such period as may be specified, subject to such conditions, limitations or restrictions as it may think fit to impose.

(2) Every notification made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.”.

168. In section 44 of the principal Act, in sub-section (1), for the words “National Housing Bank” at both the places where they occur, the words “National Housing Bank or the Reserve Bank, as the case may be,” shall be substituted.

169. In section 46 of the principal Act, for the words “the National Housing Bank” wherever they occur, the words “the National Housing Bank or the Reserve Bank” shall be substituted.

170. In section 49 of the principal Act,—

(a) in sub-section (2B), for the words “the National Housing Bank”, the words “the National Housing Bank or the Reserve Bank” shall be substituted;

(b) in sub-section (2C), for the words “any order made by the authorised officer”, the words “any order made by the National Company Law Tribunal” shall be substituted;

(c) in sub-section (3), in clause (aa), for the words “the National Housing Bank”, the words “the National Housing Bank or the Reserve Bank” shall be substituted.

171. In section 51 of the principal Act, for the words “the National Housing Bank,” wherever they occur, the words “the National Housing Bank or the Reserve Bank” shall be substituted.

Amendment
of section 35.

Amendment
of section
35A.

Substitution of
section 35B.

Power of
Reserve Bank
to exempt
housing
finance
institution.

Amendment
of section 44.

Amendment
of section 46.

Amendment
of section 49.

Amendment
of section 51.

Substitution of
section 52A.

172. For section 52A of the principal Act, the following section shall be substituted, namely:—

Power of
National
Housing Bank
and Reserve
Bank to
impose fine.

“52A. (1) Notwithstanding anything contained in section 49, if the contravention or default of the nature referred to in the said section is committed by a housing finance institution which is a company, the National Housing Bank or the Reserve Bank, as the case may be, may impose on such company—

(a) a penalty not exceeding five thousand rupees; or

(b) where the contravention or default is under sub-section (2A) or clause (a) or clause (aa) of sub-section (3) of that section, a penalty not exceeding five lakh rupees or twice the amount involved in such contravention or default, where the amount is quantifiable, whichever is more; and where such contravention or default is a continuing one, further penalty which may extend to twenty-five thousand rupees for every day, after the first, during which the contravention or default continues.

(2) For the purpose of imposing penalty under sub-section (1), the National Housing Bank or the Reserve Bank, as the case may be, shall serve a notice on the housing finance institution which is a company requiring it to show cause why the amount specified in the notice should not be imposed as a penalty and a reasonable opportunity of being heard shall also be given to such housing finance institution.

(3) Any penalty imposed by the National Housing Bank or the Reserve Bank, as the case may be, under this section shall be payable within a period of thirty days from the date on which notice issued by the National Housing Bank or the Reserve Bank, as the case may be, demanding payment of the sum is served on the housing finance institution which is a company and, in the event of failure of such housing finance institution to pay the sum within such period, may be levied on a direction made by the principal civil court having jurisdiction in the area where the registered office or the head office of such housing finance institution is situated:

Provided that no such direction shall be made, except on an application made by an officer of the National Housing Bank or the Reserve Bank, as the case may be, authorised in this behalf, to the principal civil court.

(4) The court which makes a direction under sub-section (3), shall issue a certificate specifying the sum payable by the housing finance institution which is a company and every such certificate shall be enforceable in the same manner as if it were a decree made by the court in a civil suit.

(5) No complaint shall be filed against any housing finance institution which is a company in any court of law pertaining to any contravention or default in respect of which any penalty has been imposed by the National Housing Bank or the Reserve Bank, as the case may be, under this section.

(6) Where any complaint has been filed against a housing finance institution which is a company in a court in respect of contravention or default of the nature referred to in section 49, no proceedings for imposition of penalty against such housing finance institution shall be taken under this section.”.

PART VIII

AMENDMENTS TO THE PROHIBITION OF *BENAMI* PROPERTY TRANSACTIONS ACT, 1988

Amendment
of section 23.

173. In the Prohibition of *Benami* Property Transactions Act, 1988 (hereafter in this Part referred to as the principal Act), in section 23, the following *Explanation* shall be inserted and shall be deemed to have been inserted with effect from the 1st day of November, 2016, namely:—

45 of 1988.

Explanation.—For the removal of doubts, it is hereby clarified that nothing contained in this section shall apply and shall be deemed to have ever applied where a notice under sub-section (1) of section 24 has been issued by the Initiating Officer.”.

174. In section 24 of the principal Act, with effect from the 1st day of September, 2019,—

(a) in sub-section (3), for the words, brackets and figure “from the date of issue of notice under sub-section (1)”, the words, brackets and figure “from the last day of the month in which the notice under sub-section (1) is issued” shall be substituted;

(b) in sub-section (4), for the words, brackets and figure “from the date of issue of notice under sub-section (1)”, the words, brackets and figure “from the last day of the month in which the notice under sub-section (1) is issued” shall be substituted;

(c) the following *Explanation* shall be inserted, namely:—

“Explanation.—For the purposes of this section, in computing the period of limitation, the period during which the proceeding is stayed by an order or injunction of any court shall be excluded:

Provided that where immediately after the exclusion of the aforesaid period, the period of limitation referred to in sub-section (4) available to the Initiating Officer for passing order of attachment is less than thirty days, such remaining period shall be deemed to be extended to thirty days:

Provided further that where immediately after the exclusion of the aforesaid period, the period of limitation referred to in sub-section (5) available to the Initiating Officer to refer the order of attachment to Adjudicating Authority is less than seven days, such remaining period shall be deemed to be extended to seven days.”.

175. In section 26 of the principal Act, in sub-section (7), with effect from the 1st day of September, 2019, the following *Explanation* shall be inserted, namely:—

“Explanation.—For the purposes of this sub-section, in computing the period of limitation, the period during which the proceeding is stayed by an order or injunction of any court shall be excluded:

Provided that where immediately after the exclusion of the aforesaid period, the period of limitation available to the Adjudicating Authority for passing order is less than sixty days, such remaining period shall be deemed to be extended to sixty days.”.

176. In section 30 of the principal Act, for the words "the Adjudicating Authority", the words "any authority" shall be substituted with effect from the 1st day of September, 2019.

177. In section 46 of the principal Act, with effect from the 1st day of September, 2019,—

(a) after sub-section (1), the following sub-section shall be inserted, namely:—

"(IA) Any person aggrieved by an order passed by the authority under section 54A may prefer an appeal in such form along with such fees, as may be prescribed, to the Appellate Tribunal against the said order within a period of forty-five days from the date of that order.";

(b) in sub-section (3), after the word, brackets and figure "sub-section (1)," the words, brackets, figure and letter "or sub-section (IA)" shall be inserted.

178. In section 47 of the principal Act, for sub-section (1), the following sub-section shall be substituted with effect from the 1st day of September, 2019, namely:—

"(1) The Appellate Tribunal or any authority may, in order to rectify any mistake apparent on the face of the record, amend any order passed by it under the provisions of this Act, within a period of one year from the end of the month in which such order was passed.".

179. In the principal Act, after section 54, the following sections shall be inserted with effect from the 1st day of September, 2019, namely:—

“54A. (1) Any person who fails to,—

(i) comply with summons issued under sub-section (1) of section 19; or

(ii) furnish information as required under section 21,

Amendment
of section 24.

Amendment
of section 26.

Amendment
of section 30.

Amendment
of section 46.

Amendment
of section 47.

Insertion of
new sections
54A and 54B.

Penalty for
failure to comply
with notices or
furnish
information.

shall be liable to pay penalty of twenty-five thousand rupees for each such failure.

(2) The penalty under sub-section (1) shall be imposed by the authority who had issued the summons or called for the information.

(3) No order under sub-section (2) shall be passed by the authority unless the person on whom the penalty is to be imposed has been given an opportunity of being heard:

Provided that no penalty shall be imposed if, such person proves that there were good and sufficient reasons which prevented him from complying with the summons or furnishing information.

Proof of entries in records or documents.

54B. The entries in the records or other documents in the custody of an authority shall be admitted in evidence in any proceedings for the prosecution of any person for an offence under section 3 or this Chapter, as the case may be, and all such entries may be proved either by—

(i) the production of the records or other documents in the custody of the authority containing such entries; or

(ii) the production of a copy of the entries certified by the authority having custody of the records or other documents under its signature stating that it is a true copy of the original entries and that such original entries are contained in the records or other documents in its custody.”.

Amendment of section 55.

180. In section 55 of the principal Act, with effect from the 1st day of September, 2019,—

(i) for the word “Board”, the words “competent authority” shall be substituted;
(ii) the following *Explanation* shall be inserted, namely:—

‘Explanation.—For the purposes of this section, “competent authority” means a Commissioner, a Director, a Principal Commissioner of Income-tax or a Principal Director of Income-tax as defined in clause (16), clause (21), clause (34B) and clause (34C), respectively, of section 2 of the Income-tax Act, 1961.’.

43 of 1961.

PART IX

AMENDMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992.

Commencement of this Part.

181. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Amendment of section 14.

182. In the Securities and Exchange Board of India Act, 1992 (hereafter in this Part referred to as the principal Act), in section 14,—

15 of 1992.

(i) in sub-section (2), after clause (c), the following clause shall be inserted, namely:—

“(d) the capital expenditure, as per annual capital expenditure plan approved by the Board and the Central Government.”;

(ii) after sub-section (2), the following sub-sections shall be inserted, namely:—

“(3) The Board shall constitute a Reserve Fund and twenty-five per cent. of the annual surplus of the General Fund in any year shall be credited to such Reserve Fund and such fund shall not exceed the total of annual expenditure of preceding two financial years.

(4) After incurring all the expenses referred to in sub-section (2) and transfer to Reserve Fund as specified in sub-section (3), the surplus of the General Fund shall be transferred to the Consolidated Fund of India.”.

Amendment of section 15C.

183. In section 15C of the principal Act, after the words “after having been called upon by the Board in writing”, the words “including by any means of electronic communication” shall be inserted.

Amendment of section 15F.

184. In section 15F of the principal Act, in sub-clause (a), after the words “one lakh rupees but which may extend to”, the words “one crore rupees” shall be inserted.

185. After section 15HA of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 15HAA.

‘15HAA. Any person, who—

(a) knowingly alters, destroys, mutilates, conceals, falsifies, or makes a false entry in any information, record, document (including electronic records), which is required under this Act or any rules or regulations made thereunder, so as to impede, obstruct, or influence the investigation, inquiry, audit, inspection or proper administration of any matter within the jurisdiction of the Board.

Explanation.—For the purposes of this clause, a person shall be deemed to have altered, concealed or destroyed such information, record or document, in case he knowingly fails to immediately report the matter to the Board or fails to preserve the same till such information continues to be relevant to any investigation, inquiry, audit, inspection or proceeding, which may be initiated by the Board and conclusion thereof;

(b) without being authorised to do so, access or tries to access, or denies of access or modifies access parameters, to the regulatory data in the database;

(c) without being authorised to do so, downloads, extracts, copies, or reproduces in any form the regulatory data maintained in the system database;

(d) knowingly introduces any computer virus or other computer contaminant into the system database and brings out a trading halt;

(e) without authorisation disrupts the functioning of system database;

(f) knowingly damages, destroys, deletes, alters, diminishes in value or utility, or affects by any means, the regulatory data in the system database; or

(g) knowingly provides any assistance to or causes any other person to do any of the acts specified in clauses (a) to (f),

shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to ten crore rupees or three times the amount of profits made out of such act, whichever is higher.

Explanation.—In this section, the expressions "computer contaminant", "computer virus" and "damage" shall have the meanings respectively assigned to them under section 43 of the Information Technology Act, 2000.

Penalty for alteration, destruction, etc., of records and failure to protect the electronic database of Board.

21 of 2000.

54 of 2000.

186. In the Central Road and Infrastructure Fund Act, 2000 (hereafter in this Part referred to as the principal Act), in section 10, in sub-section (1),—

Amendment of section 10.

(a) for clause (iv), the following clause shall be substituted, namely:—

“(iv) formulation of criteria for allocation of funds for development and maintenance of State road projects including the projects of inter-State and economic importance;”;

(b) clauses (v) and (vii) shall be omitted.

187. In section 11 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—

Amendment of section 11.

“(I) The share of the Fund to be spent on development and maintenance of State roads, based on the criteria formulated under clause (iv) of sub-section (1) of section 10, shall be allocated in such manner as may be finalised by the Committee referred to in section 7A.”

Amendment
of section 12.

188. In section 12 of the principal Act, in sub-section (2), clause (c) shall be omitted.

PART XI

AMENDMENT TO THE FINANCE ACT, 2002.

Amendment
of Act 20 of
2002.

189. In the Finance Act, 2002, in the Eighth Schedule,—

(a) against Item No. 1, for the entry in column (3), the entry “Rs.10 per litre” shall be substituted;

(b) against Item No. 2, for the entry in column (3), the entry “Rs.4 per litre” shall be substituted.

PART XII

AMENDMENTS TO THE UNIT TRUST OF INDIA (TRANSFER OF UNDERTAKING AND REPEAL) ACT, 2002

Amendment
of Act 58 of
2002.

190. In the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002, in section 13, in sub-section (1), for the words, figures and letters “the 31st day of March, 2019”, the words, figures and letters “the 31st day of March, 2021” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2019.

PART XIII

AMENDMENTS TO THE PREVENTION OF MONEY-LAUNDERING ACT, 2002

Commencement
of this Part.

191. Clause (iii) of section 187, sections 187A, 190A, 190B, 190C and 190D shall come into force from the 1st day of August, 2019.

Amendment
of section 2.

192. In the Prevention of Money-laundering Act, 2002 (hereafter in this Part referred to as the principal Act), in section 2, in sub-section (1),—

(i) in clause (n), in sub-clause (i), the word “sub-broker,” shall be omitted;

(ii) in clause (sa), for sub-clause (ii), the following sub-clause shall be substituted, namely:—

“(ii) Inspector-General of Registration appointed under section 3 of the Registration Act, 1908 as may be notified by the Central Government;”.

16 of 1908.

(iii) in clause (u), the following *Explanation* shall be inserted, namely:—

'Explanation.—For the removal of doubts, it is hereby clarified that "proceeds of crime" include property not only derived or obtained from the scheduled offence but also any property which may directly or indirectly be derived or obtained as a result of any criminal activity relatable to the scheduled offence;'

Amendment
of section 3.

193. In section 3 of the principal Act, the following *Explanation* shall be inserted, namely:—

“*Explanation.—For the removal of doubts, it is hereby clarified that,—*

(i) a person shall be guilty of offence of money-laundering if such person is found to have directly or indirectly attempted to indulge or knowingly assisted or knowingly is a party or is actually involved in one or more of the following processes or activities connected with proceeds of crime, namely:—

(a) concealment; or

(b) possession; or

(c) acquisition; or

(d) use; or

(e) projecting as untainted property; or

(f) claiming as untainted property,

in any manner whatsoever;

(ii) the process or activity connected with proceeds of crime is a continuing activity and continues till such time a person is directly or indirectly enjoying the proceeds of crime by its concealment or possession or acquisition or use or projecting it as untainted property or claiming it as untainted property in any manner whatsoever.".

194. In section 12A of the principal Act, in sub-section (1), for the words, brackets and figures "sub-section (1) of section 12", the words, figures, letters and brackets "section 11A, sub-section (1) of section 12, sub-section (1) of section 12AA" shall be substituted. Amendment of section 12A.

195. After section 12A of the principal Act, the following section shall be inserted, namely:— Insertion of new section 12AA.

'12AA. (1) Every reporting entity shall, prior to the commencement of each specified transaction,— Enhanced due diligence.

(a) verify the identity of the clients undertaking such specified transaction by authentication under the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 in such manner and subject to such conditions, as may be prescribed:

Provided that where verification requires authentication of a person who is not entitled to obtain an Aadhaar number under the provisions of the said Act, verification to authenticate the identity of the client undertaking such specified transaction shall be carried out by such other process or mode, as may be prescribed;

(b) take additional steps to examine the ownership and financial position, including sources of funds of the client, in such manner as may be prescribed;

(c) take additional steps as may be prescribed to record the purpose behind conducting the specified transaction and the intended nature of the relationship between the transaction parties.

(2) Where the client fails to fulfil the conditions laid down under sub-section (1), the reporting entity shall not allow the specified transaction to be carried out.

(3) Where any specified transaction or series of specified transactions undertaken by a client is considered suspicious or likely to involve proceeds of crime, the reporting entity shall increase the future monitoring of the business relationship with the client, including greater scrutiny or transactions in such manner as may be prescribed.

(4) The information obtained while applying the enhanced due diligence measures under sub-section (1) shall be maintained for a period of five years from the date of transaction between a client and the reporting entity.

Explanation.—For the purposes of this section, "specified transaction" means—

(a) any withdrawal or deposit in cash, exceeding such amount;

(b) any transaction in foreign exchange, exceeding such amount;

(c) any transaction in any high value imports or remittances;

(d) such other transaction or class of transactions, in the interest of revenue or where there is a high risk or money-laundering or terrorist financing,

as may be prescribed.'

196. In section 15 of the principal Act, for the words, brackets and figures "sub-section (1) of section 12", the words, figures, letters and brackets "section 11A, sub-section (1) of section 12 and sub-section (1) of section 12AA" shall be substituted. Amendment of section 15.

Amendment of section 17.

197. In section 17 of the principal Act, in sub-section (1), the proviso shall be omitted.

Amendment of section 18.

198. In section 18 of the principal Act, in sub-section (1), the proviso shall be omitted.

Amendment of section 44.

199. In section 44 of the principal Act, in sub-section (1),—

(i) after clause (b), the following proviso shall be inserted, namely:—

"Provided that after conclusion of investigation, if no offence of money-laundering is made out requiring filing of such complaint, the said authority shall submit a closure report before the Special Court; or";

(ii) after clause (d), the following *Explanation* shall be inserted, namely:—

"Explanation.—For the removal of doubts, it is clarified that,—

(i) the jurisdiction of the Special Court while dealing with the offence under this Act, during investigation, enquiry or trial under this Act, shall not be dependent upon any orders passed in respect of the scheduled offence, and the trial of both sets of offences by the same court shall not be construed as joint trial;

(ii) the complaint shall be deemed to include any subsequent complaint in respect of further investigation that may be conducted to bring any further evidence, oral or documentary, against any accused person involved in respect of the offence, for which complaint has already been filed, whether named in the original complaint or not.".

Amendment of section 45.

200. In section 45 of the principal Act, after sub-section (2), the following *Explanation* shall be inserted, namely:—

'Explanation.—For the removal of doubts, it is clarified that the expression "Offences to be cognizable and non-bailable" shall mean and shall be deemed to have always meant that all offences under this Act shall be cognizable offences and non-bailable offences notwithstanding anything to the contrary contained in the Code of Criminal Procedure, 1973, and accordingly the officers authorised under this Act are empowered to arrest an accused without warrant, subject to the fulfilment of conditions under section 19 and subject to the conditions enshrined under this section.'

2 of 1974.

Insertion of new section 72A.

201. After section 72 of the principal Act, the following section shall be inserted, namely:—

Inter-ministerial Co-ordination Committee.

"72A. The Central Government may, by notification, constitute an Inter-ministerial Co-ordination Committee for inter-departmental and inter-agency co-ordination for the following purposes, namely:—

(a) operational co-operation between the Government, law enforcement agencies, the Financial Intelligence Unit, India and the regulators or supervisors;

(b) policy co-operation and co-ordination across all relevant or competent authorities;

(c) such consultation among the concerned authorities, the financial sector and other sectors, as are appropriate, and are related to anti money-laundering or countering the financing of terrorism laws, regulations and guidelines;

(d) development and implementing policies on anti money-laundering or countering the financing of terrorism; and

(e) any other matter as the Central Government may, by notification, specify in this behalf.".

202. In section 73 of the principal Act, in sub-section (2), after clause (jj), the following clauses shall be inserted, namely:—

Amendment of section 73.

“(jja) the manner and the conditions in which authentication of the identity of clients shall be verified by the reporting entities under clause (a) of sub-section (I) of section 12AA;

(jjb) the manner of identifying the ownership and financial position of the client under clause (b) of sub-section (I) of section 12AA;

(jjc) additional steps to record the purpose behind conducting the specified transaction and the intended nature of the relationship between the transaction parties under clause (c) of sub-section (I) of section 12AA;

(jjd) manner of increasing the future monitoring under sub-section (3) of section 12AA.”.

PART XIV

AMENDMENT TO THE FINANCE (NO. 2) ACT, 2004.

203. In section 99 of the Finance (No. 2) Act, 2004, with effect from the 1st day of September, 2019,—

Amendment of Act 23 of 2004.

(I) in clause (a), in sub-clause (ii), for the words “settlement price”, the words “intrinsic value” shall be substituted;

(II) after the proviso, the following *Explanation* shall be inserted, namely:—

‘*Explanation.*— For the purposes of this section, the expression “intrinsic value” means the difference between the settlement price and the strike price.’.

PART XV

AMENDMENT TO THE PAYMENT AND SETTLEMENT SYSTEMS ACT, 2007.

204. In the Payment and Settlement Systems Act, 2007, after section 10, the following section shall be inserted with effect from the 1st day of November, 2019, namely:—

Amendment of Act 51 of 2007.

“10A. Notwithstanding anything contained in this Act, no bank or system provider shall impose, whether directly or indirectly, any charge upon a person making or receiving a payment by using the electronic modes of payment prescribed under section 269SU of the Income-tax Act, 1961.”.

Bank, etc., not to impose charge for using electronic modes of payment.

43 of 1961.

PART XVI

AMENDMENT TO THE BLACK MONEY (UNDISCLOSED FOREIGN INCOME AND ASSETS) AND IMPOSITION OF TAX ACT, 2015.

205. In the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 (hereafter in this Part referred to as the principal Act), in section 2, for clause (2), the following clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of July, 2015, namely:—

Amendment of section 2.

‘(2) “assessee” means a person,—

(a) being a resident in India within the meaning of section 6 of the Income-tax Act, 1961 in the previous year; or

(b) being a non-resident or not ordinarily resident in India within the meaning of clause (6) of section 6 of the Income-tax Act, 1961 in the previous year, who was resident in India either in the previous year to which the income referred to in section 4 relates; or in the previous year in which the undisclosed asset located outside India was acquired:

43 of 1961.

43 of 1961.

Provided that the previous year, in case of acquisition of undisclosed asset outside India, shall be determined without giving effect to the provisions of clause (c) of section 72;’.

Amendment
of section 10.

206. In section 10 of the principal Act,—

(i) in sub-section (3), after the word “assess”, the words “or reassess” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2015;

(ii) in sub-section (4), after the word “assessment”, the words “or reassessment” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2015.

Amendment
of section 17.

207. In the principal Act, in section 17, in sub-section (1), in clause (b), for the words “such order”, the words “or vary such order either to enhance or reduce the penalty” shall be substituted with effect from the 1st day of September, 2019.

Amendment
of section 84.

208. In the principal Act, in section 84, for the figures “138”, the figures and letter “138, 144A” shall be substituted with effect from the 1st day of September, 2019.

PART XVII

AMENDMENT TO THE FINANCE ACT, 2016.

Amendment
of section
187.

209. In the Finance Act, 2016 (hereafter in this Part referred to as the principal Act), in section 187, in sub-section (1), the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 2016, namely:—

28 of 2016.

“Provided that where the amount of tax, surcharge and penalty, has not been paid within the due date notified under this sub-section, the Central Government may, by notification in the Official Gazette, specify the class of persons, who may, make the payment of such amount on or before such date as may be notified by the Central Government, along with the interest on such amount, at the rate of one per cent. for every month or part of a month comprised in the period commencing on the date immediately following the due date and ending on the date of such payment.”.

Amendment
of section
191.

210. In section 191 of the principal Act, the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 2016, namely:—

“Provided that the Central Government may, by notification in the Official Gazette, specify the class of persons to whom the amount of tax, surcharge and penalty, paid in excess of the amount payable under this Scheme shall be refundable.”.

PART XVIII

AMENDMENT TO THE FINANCE ACT, 2018.

Amendment
of Act 13 of
2018.

211. In the Finance Act, 2018, in the Sixth Schedule, against Item Nos. 1 and 2, for the entry in column (3), the entry “Rs.10 per litre” shall be substituted.

Repeal.

212. Section 2 of the Finance Act, 2019 is hereby repealed and shall be deemed never to have been enacted.

7 of 2019.

THE FIRST SCHEDULE

(see Section 2)

PART I

INCOME-TAX

Paragraph A

(I) In the case of every individual other than the individual referred to in items (II) and (III) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of income-tax

(1) where the total income does not exceed Rs. 2,50,000	<i>Nil;</i>
(2) where the total income exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 2,50,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs.12,500 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,12,500 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs.10,00,000.

(II) In the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 3,00,000	<i>Nil;</i>
(2) where the total income exceeds Rs. 3,00,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 3,00,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs.10,000 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,10,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs.10,00,000.

(III) In the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 5,00,000	<i>Nil;</i>
(2) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(3) where the total income exceeds Rs. 10,00,000	Rs. 1,00,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall be increased by a surcharge for the purposes of the Union, calculated, in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

- (a) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax; and

(b) having a total income exceeding one crore rupees, at the rate of fifteen per cent. of such income-tax:

Provided that in the case of persons mentioned above having total income exceeding,—

(a) fifty lakh rupees but not exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(b) one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

(1) where the total income does not exceed Rs.10,000	10 per cent. of the total income;
(2) where the total income exceeds Rs.10,000 but does not exceed Rs. 20,000	Rs.1,000 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 20,000	Rs. 3,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 20,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every co-operative society, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every co-operative society mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph C

In the case of every firm,—

Rate of income-tax

On the whole of the total income	30 per cent.
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Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every firm, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every firm mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income	30 per cent.
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Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every local authority, having a

total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every local authority mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph E

In the case of a company,—

Rates of income-tax

I. In the case of a domestic company,—

- (i) where its total turnover or the gross receipt in the previous year 2016-2017 does not exceed two hundred and fifty crore rupees; 25 per cent. of the total income;
- (ii) other than that referred to in item (i) 30 per cent. of the total income.

II. In the case of a company other than a domestic company,—

- (i) on so much of the total income as consists of,—

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Central Government 50 per cent.;

(ii) on the balance, if any, of the total income 40 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, be increased by a surcharge for the purposes of the Union calculated,—

- (i) in the case of every domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of seven per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of twelve per cent. of such income-tax;

- (ii) in the case of every company other than a domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of two per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of five per cent. of such income-tax:

Provided that in the case of every company having a total income exceeding one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided further that in the case of every company having a total income exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

PART II

RATES FOR DEDUCTION OF TAX AT SOURCE IN CERTAIN CASES

In every case in which under the provisions of sections 193, 194, 194A, 194B, 194BB, 194D, 194LBA, 194LBB, 194LBC and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to the deduction at the following rates:—

	Rate of income-tax
1. In the case of a person other than a company—	
(a) where the person is resident in India—	
(i) on income by way of interest other than “Interest on securities”	10 per cent.;
(ii) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(iii) on income by way of winnings from horse races	
30 per cent.;	
(iv) on income by way of insurance commission	5 per cent.;
(v) on income by way of interest payable on—	10 per cent.;
(A) any debentures or securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act;	
(B) any debentures issued by a company where such debentures are listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and any rules made thereunder;	
(C) any security of the Central or State Government;	
(vi) on any other income	
10 per cent.;	
(b) where the person is not resident in India—	
(i) in the case of a non-resident Indian—	
(A) on any investment income	20 per cent.;
(B) on income by way of long-term capital gains referred to in section 115E or sub-clause (iii) of clause (c) of sub-section (1) of section 112	10 per cent.;
(C) on income by way of long-term capital gains referred to in section 112A	10 per cent.;
(D) on other income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33) and (36) of section 10] referred to in section 112A exceeding one lakh rupees	20 per cent.;
(E) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(F) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;
(G) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in	10 per cent.;

consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (IA) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (IA) of section 115A of the Income-tax Act, to a person resident in India

(H) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(i)(G)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy

10 per cent.;

(I) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy

10 per cent.;

(J) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort

30 per cent.;

(K) on income by way of winnings from horse races

30 per cent.;

(L) on the whole of the other income

30 per cent.;

(ii) in the case of any other person—

(A) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)

20 per cent.;

(B) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (IA) of section 115A of the Income-tax Act, to the Indian concern, in respect of any computer software referred to in the second proviso to sub-section (IA) of section 115A of the Income-tax Act, to a person resident in India

10 per cent.;

(C) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(ii)(B)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy

10 per cent.;

(D) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy

10 per cent.;

(E) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(F) on income by way of winnings from horse races	30 per cent.;
(G) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(H) on income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-section (I) of section 112	10 per cent.;
(I) on income by way of long-term capital gains referred to in section 112A exceeding one lakh rupees	10 per cent.;
(J) on income by way of other long-term capital gains [not being long-term capital gains referred to in clauses (33) and (36) of section 10]	20 per cent.;
(K) on the whole of the other income	30 per cent.
2. In the case of a company—	
(a) where the company is a domestic company—	
(i) on income by way of interest other than “Interest on securities”	10 per cent.;
(ii) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(iii) on income by way of winnings from horse races	30 per cent.;
(iv) on any other income	10 per cent.;
(b) where the company is not a domestic company—	
(i) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(ii) on income by way of winnings from horse races	30 per cent.;
(iii) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;
(iv) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1976 where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (IA) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (IA) of section 115A of the Income-tax Act, to a person resident in India	10 per cent.;
(v) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(iv)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—	
(A) where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976	10 per cent.;
(vi) on income by way of fees for technical services payable by the Government or an Indian concern in pursuance of an	

agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—

(A) where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976	10 per cent.;
(vii) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(viii) on income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-section (I) of section 112	10 per cent.;
(ix) on income by way of long-term capital gains referred to in section 112A exceeding one lakh rupees	10 per cent.;
(x) on income by way of other long-term capital gains [not being long-term capital gains referred to in clauses (33) and (36) of section 10]	20 per cent.;
(xi) on any other income	40 per cent.

Explanation.—For the purposes of item 1(b)(i) of this Part, “investment income” and “non-resident Indian” shall have the respective meanings assigned to them in Chapter XII-A of the Income-tax Act.

Surcharge on income-tax

The amount of income-tax deducted in accordance with the provisions of—

(i) item 1 of this Part, shall be increased by a surcharge, for the purposes of the Union,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, being a non-resident, calculated,—

I. at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees;

II. at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed two crore rupees;

III. at the rate of twenty-five per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds two crore rupees but does not exceed five crore rupees; and

IV. at the rate of thirty-seven per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds five crore rupees;

(b) in the case of every co-operative society or firm, being a non-resident, calculated at the rate of twelve per cent., where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(ii) Item 2 of this Part shall be increased by a surcharge, for the purposes of the Union, in the case of every company other than a domestic company, calculated,—

(a) at the rate of two per cent. of such income-tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed ten crore rupees; and

(b) at the rate of five per cent. of such income-tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten crore rupees.

PART III

RATES FOR CHARGING INCOME-TAX IN CERTAIN CASES, DEDUCTING INCOME-TAX FROM INCOME CHARGEABLE UNDER THE HEAD “SALARIES” AND COMPUTING “ADVANCE TAX”

In cases in which income-tax has to be charged under sub-section (4) of section 172 of the Income-tax Act or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or deducted from, or paid on, from income chargeable under the head “Salaries” under section 192 of the said Act or in which the “advance tax” payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, “advance tax” [not being “advance tax” in respect of any income chargeable to tax under Chapter XII or Chapter XII-A or income chargeable to tax under section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (IA) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act at the rates as specified in that Chapter or section or surcharge, wherever applicable, on such “advance tax” in respect of any income chargeable to tax under section 115A or section 115AB or section 115AC or section 115ACA or section 115AD or section 115B or section 115BA or section 115BB or section 115BBA or section 115BBC or section 115BBD or section 115BBDA or section 115BBE or section 115BBF or section 115BBG or section 115E or section 115JB or section 115JC] shall be charged, deducted or computed at the following rate or rates:—

Paragraph A

(I) In the case of every individual other than the individual referred to in items (II) and (III) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (3) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of income-tax

(1) where the total income does not exceed Rs. 2,50,000	<i>Nil;</i>
(2) where the total income exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 2,50,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 12,500 plus 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,12,500 plus 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

(II) In the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 3,00,000	<i>Nil;</i>
(2) where the total income exceeds Rs. 3,00,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 3,00,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 10,000 plus 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,10,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

(III) In the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 5,00,000	<i>Nil;</i>
---------------------------------------------------------	-------------

- | | |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| (2) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000 | 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000; |
| (3) where the total income exceeds Rs. 10,00,000 | Rs. 1,00,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall be increased by a surcharge for the purposes of the Union, calculated, in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vi) of clause (31) of section 2 of the Income-tax Act,—

(a) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax;

(b) having a total income exceeding one crore rupees but not exceeding two crore rupees, at the rate of fifteen per cent. of such income-tax;

(c) having a total income exceeding two crore rupees but not exceeding five crore rupees, at the rate of twenty-five per cent. of such income-tax; and

(d) having a total income exceeding five crore rupees, at the rate of thirty-seven per cent. of such income-tax:

Provided that in the case of persons mentioned above having total income exceeding,—

(a) fifty lakh rupees but not exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(b) one crore rupees but does not exceed two crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees;

(c) two crore rupees but does not exceed five crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of two crore rupees by more than the amount of income that exceeds two crore rupees;

(d) five crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of five crore rupees by more than the amount of income that exceeds five crore rupees.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

- | | |
|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| (1) where the total income does not exceed Rs.10,000 | 10 per cent. of the total income; |
| (2) where the total income exceeds Rs.10,000 but does not exceed Rs. 20,000 | Rs. 1,000 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 10,000; |
| (3) where the total income exceeds Rs. 20,000 | Rs. 3,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 20,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every co-operative society, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every co-operative society mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph C

In the case of every firm,—

Rate of income-tax

On the whole of the total income	30 per cent.
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Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every firm, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every firm mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income	30 per cent.
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Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every local authority, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every local authority mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph E

In the case of a company,—

Rates of income-tax

I. In the case of a domestic company,—

- | | |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| (i) where its total turnover or the gross receipt in the previous year 2017-2018 does not exceed four hundred crore rupees; | 25 per cent. of the total income; |
| (ii) other than that referred to in item (i) | 30 per cent. of the total income. |

II. In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of,—

- | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) royalties received from the Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Government 50 per cent.;

(ii) on the balance, if any, of the total income 40 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall be increased by a surcharge for the purposes of the Union, calculated,—

(i) in the case of every domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of seven per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of twelve per cent. of such income-tax;

(ii) in the case of every company other than a domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of two per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of five per cent. of such income-tax:

Provided that in the case of every company having a total income exceeding one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided further that in the case of every company having a total income exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

PART IV

[See section 2 (13)(c)]

RULES FOR COMPUTATION OF NETAGRICULTURAL INCOME

Rule 1.—Agricultural income of the nature referred to in sub-clause (a) of clause (IA) of section 2 of the Income-tax Act shall be computed as if it were income chargeable to income-tax under that Act under the head “Income from other sources” and the provisions of sections 57 to 59 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of section 58 shall apply subject to the modification that the reference to section 40A therein shall be construed as not including a reference to sub-sections (3), (3A) and (4) of section 40A.

Rule 2.—Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (IA) of section 2 of the Income-tax Act [other than income derived from any building required as a dwelling-house by the receiver of the rent or revenue of the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income-tax under that Act under the head “Profits and gains of business or profession” and the provisions of sections 30, 31, 32, 36, 37, 38, 40, 40A [other than sub-sections (3), (3A) and (4) thereof], 41, 43, 43A, 43B and 43C of the Income-tax Act shall, so far as may be, apply accordingly.

Rule 3.—Agricultural income of the nature referred to in sub-clause (c) of clause (IA) of section 2 of the Income-tax Act, being income derived from any building required as a dwelling-house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c) shall be computed as if it were income chargeable to income-tax under that Act under the head “Income from house property” and the provisions of sections 23 to 27 of that Act shall, so far as may be, apply accordingly.

Rule 4.—Notwithstanding anything contained in any other provisions of these rules, in a case—

(a) where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed in accordance with rule 8 of the Income-tax Rules, 1962, and sixty per cent. of such income shall be regarded as the agricultural income of the assessee;

(b) where the assessee derives income from sale of centrifuged latex or cenex or latex based crepes (such as pale latex crepe) or brown crepes (such as estate brown crepe, re-milled crepe, smoked blanket crepe or flat bark crepe) or technically specified block rubbers manufactured or processed by him from rubber plants grown by him in India, such income shall be computed in accordance with rule 7A of the Income-tax Rules, 1962, and sixty-five per cent. of such income shall be regarded as the agricultural income of the assessee;

(c) where the assessee derives income from sale of coffee grown and manufactured by him in India, such income shall be computed in accordance with rule 7B of the Income-tax Rules, 1962, and sixty per cent. or seventy-five per cent., as the case may be, of such income shall be regarded as the agricultural income of the assessee.

Rule 5.—Where the assessee is a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of the assessee.

Rule 6.—Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income:

Provided that where the assessee is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the association or body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income.

Rule 7.—Any sum payable by the assessee on account of any tax levied by the State Government on the agricultural income shall be deducted in computing the agricultural income.

Rule 8.—(I) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2019, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 2011 or the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018, is a loss, then, for the purposes of sub-section (2) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2011, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2012, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2013, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2014, to the extent, if any, such loss has not been set off against the agricultural income for the previous year

relevant to the assessment year commencing on the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2015, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2016, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2017 or the 1st day of April, 2018,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2017, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2018,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2018,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2019.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2020, or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018 or the 1st day of April, 2019, is a loss, then, for the purposes of sub-section (10) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2012, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018 or the 1st day of April, 2019,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2013, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018 or the 1st day of April, 2019,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2014, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018 or the 1st day of April, 2019,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2015, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018 or the 1st day of April, 2019,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2016, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2017 or the 1st day of April, 2018 or the 1st day of April, 2019,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2017, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2018 or the 1st day of April, 2019,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2018, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2019,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2019,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2020.

(3) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (1) or sub-rule (2) shall entitle any person, other than the person incurring the loss, to have it set off under sub-rule (1) or, as the case may be, sub-rule (2).

(4) Notwithstanding anything contained in this rule, no loss which has not been determined by the Assessing Officer under the provisions of these rules or the rules contained in the First Schedule to the Finance Act, 2011 (8 of 2011) or the First Schedule to the Finance Act, 2012 (23 of 2012) or the First Schedule to the Finance Act, 2013 (17 of 2013) or the First Schedule to the Finance (No. 2) Act, 2014 (25 of 2014) or the First Schedule to the Finance Act, 2015 (20 of 2015) or the First Schedule to the Finance Act, 2016 (28 of 2016) or the First Schedule to the Finance Act, 2017 (7 of 2017) or the First Schedule to the Finance Act, 2018 (13 of 2018) shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).

Rule 9.—Where the net result of the computation made in accordance with these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be *nil*.

Rule 10.—The provisions of the Income-tax Act relating to procedure for assessment (including the provisions of section 288A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income.

Rule 11.—For the purposes of computing the net agricultural income of the assessee, the Assessing Officer shall have the same powers as he has under the Income-tax Act for the purposes of assessment of the total income.

THE SECOND SCHEDULE
[See section 83(I)]

Notification number and date (1)	Amendment (2)	Period of effect of amendment (3)
GS.R. 423 (E), dated the 1 st June, 2011 [46/2011- Customs, dated 1 st June, 2011] GS.R. 499 (E), dated the 1 st July, 2011 [53/2011- Customs, dated 1 st July, 2011] GS.R. 185 (E), dated the 17 th March, 2012 [12/2012- Customs, dated 17 th March, 2012]	In the said notification, in the Table, against serial number 443, in column (2), for the figures “3823 11 90”, the figures “3823 11 00” shall be substituted. In the said notification, in the Table, against serial number 476, in column (2), for the figures “3823 11 90”, the figures “3823 11 00” shall be substituted. In the said notification, in the Table, against serial numbers 230 and 230A, in column (2), for the figures “3823 11 90”, the figures “3823 11 00” shall be substituted.	31 st March, 2017 to 14 th September, 2017 31 st March, 2017 to 14 th September, 2017 31 st March, 2017 to 30 th June, 2017

THE THIRD SCHEDULE
[See section 84(I)]

Notification number and date (1)	Amendment (2)	Period of effect of amendment (3)
GS.R. 785 (E), dated the 30 th June, 2017 [50/2017- Customs, dated 30 th June, 2017]	In the said notification, in the Table, against serial number 251 and 252, in column (2), for the figures “3823 11 90”, the figures “3823 11 00” shall be substituted.	1 st July, 2017 to 14 th September, 2017

THE FOURTH SCHEDULE

[See section 88(a)]

In the First Schedule to the Customs Tariff Act,—

- (1) in Chapter 39, for the entry in column (4) occurring against all the tariff items of heading 3918, the entry “15%” shall be substituted;
- (2) in Chapter 68, for the entry in column (4) occurring against all the tariff items of heading 6813, the entry “15%” shall be substituted;
- (3) in Chapter 69, for the entry in column (4) occurring against all the tariff items of headings 6905 and 6907, the entry “15%” shall be substituted;
- (4) in Chapter 70, for the entry in column (4) occurring against all the tariff items of heading 7009, the entry “15%” shall be substituted;
- (5) in Chapter 71,—
 - (i) for the entry in column (4) occurring against all the tariff items of headings 7106, 7108, 7110 and 7112, the entry “12.5%” shall be substituted;
 - (ii) for the entry in column (4) occurring against tariff items 7107 00 00, 7109 00 00 and 7111 00 00, the entry “12.5%” shall be substituted;
- (6) in Chapter 83,—
 - (i) for the entry in column (4) occurring against tariff item 8301 20 00, the entry “15%” shall be substituted;
 - (ii) for the entry in column (4) occurring against all the tariff items of heading 8302, the entry “15%” shall be substituted;
- (7) in Chapter 84,—
 - (i) for the entry in column (4) occurring against tariff item 8415 90 00, the entry “20%” shall be substituted;
 - (ii) for the entry in column (4) occurring against tariff items 8421 23 00, 8421 31 00, 8421 39 20 and 8421 39 90, the entry “10%” shall be substituted;
- (8) in Chapter 85,—
 - (i) for the entry in column (4) occurring against tariff items 8512 10 00, 8512 20 10, 8512 20 20, 8512 20 90, 8512 30 10, 8512 30 90 and 8512 40 00, the entry “15%” shall be substituted;
 - (ii) for the entry in column (4) occurring against tariff item 8512 90 00, the entry “10%” shall be substituted;
 - (iii) for the entry in column (4) occurring against tariff items 8518 21 00 and 8518 22 00, the entry “15%” shall be substituted;
 - (iv) for the entry in column (4) occurring against tariff item 8521 90 90, the entry “20%” shall be substituted;
 - (v) for the entry in column (4) occurring against tariff items 8525 80 10, 8525 80 20, 8525 80 30 and 8525 80 90, the entry “20%” shall be substituted;
 - (vi) for the entry in column (4) occurring against tariff items 8539 10 00, 8539 21 20 and 8539 29 40, the entry “15%” shall be substituted;
- (8) in Chapter 87, for the entry in column (4) occurring against all the tariff items of headings 8706 and 8707, the entry “15%” shall be substituted;
- (9) in Chapter 90, for the entry in column (4) occurring against tariff item 9001 10 00, the entry “15%” shall be substituted;
- (10) in Chapter 98, after Note 6, the following Note shall be inserted, namely :—

“7. Heading 9804 is to be taken not to apply to printed books.”.

THE FIFTH SCHEDULE
[See section 88(b)]

In the First Schedule to the Customs Tariff Act,—

Tariff Item	Description of goods	Unit	Rate of duty	
(1)	(2)	(3)	Standard	Preferential

(1) in Chapter 1, for the entry in column (2) occurring against tariff item 0106 20 00, the following shall be substituted, namely:—

“— Reptiles (including snakes and turtles)”;

(2) in Chapter 2,—

(i) for the entry in column (2) occurring against heading 0201, the following shall be substituted, namely:—

“MEAT OF BOVINE ANIMALS,
FRESH OR CHILLED”;

(ii) for the entry in column (2) occurring against heading 0207, the following shall be substituted, namely:—

“MEAT AND EDIBLE OFFAL, OF
THE POULTRY OF HEADING 0105,
FRESH, CHILLED OR FROZEN”;

(3) in Chapter 3,—

(i) in heading 0303,—

(a) in the entry in column (2) occurring against tariff item 0303 14 00, for the words “*Oncorhynchus clarkii*”, the words “*Oncorhynchus clarki*” shall be substituted;

(b) in the entry in column (2) occurring after the entry against tariff item 0303 19 00, for the words and bracket “*carp*, *Cyprinus carpio*, *Carassius carassius*, *Ctenopharyngodon idellus*, *Hypophthalmichthys spp.*, *Cirrhinus spp.*, *Mylopharyngodon piceus*, *Catla catla*, *Labeo spp.*, *Osteochilus hasselti*, *Leptobarbus hoeveni*, *Megalobrama spp.*”, the words and brackets “*carp* (*Cyprinus spp.*, *Carassius spp.*, *Ctenopharyngodon idellus*, *Hypophthalmichthys spp.*, *Cirrhinus spp.*, *Mylopharyngodon piceus*, *Catla catla*, *Labeo spp.*, *Osteochilus hasselti*, *Leptobarbus hoeveni*, *Megalobrama spp.*)” shall be substituted;

(c) in the entry in column (2) occurring against tariff item 0303 25 00,—

(i) for the words “*Cyprinus carpio*, *Carassius carassius*”, the words “*Cyprinus spp.*, *Carassius spp.*” shall be substituted;

(ii) for the word “*Megalobrama*”, the word “*Megalobrama*” shall be substituted;

(d) in the entry in column (2) occurring against tariff item 0303 31 00, for the word “*hippoglossidae*”, the word “*hippoglossoides*” shall be substituted;

(e) in the entry in column (2) occurring after the entry against tariff item 0303 49 00, for the words and brackets “*scads* (*Decapterusspp.*)”, the words and brackets “*scads* (*Decapterus spp.*)” shall be substituted;

(f) for tariff item 0303 59 00 and the entries relating thereto, the following shall be substituted, namely:—

“0303 59	--	<i>Others:</i>			
0303 59 10	---	Indian mackerels (<i>Rastrelliger spp.</i>)	kg.	30%	-
0303 59 90	---	Other	kg.	30%	—”;

(ii) in heading 0304, in the entry in column (2) occurring against tariff items 0304 42 00 and 0304 82 00, for the words “*Oncorhynchus clarkii*”, the words “*Oncorhynchus clarki*” shall be substituted;

(iii) in heading 0305,—

(a) in the entry in column (2) occurring against tariff item 0305 32 00, for the word “*Uclichthyidae*”, the word “*Euclichthyidae*” shall be substituted;

(b) in the entry in column (2) occurring against tariff item 0305 43 00, for the words “*Oncorhynchus clarkii*”, the words “*Oncorhynchus clarki*” shall be substituted;

(iv) in heading 0306, after tariff item 0306 17 19 and the entries relating thereto, the following shall be inserted, namely:—

“0306 17 20	---	Vannamei shrimp (<i>Litopenaeus vannamei</i>)	kg.	30%	-
0306 17 30	---	Indian white shrimp (<i>Fenneropenaeus indicus</i>)	kg.	30%	-
0306 17 40	---	Black tiger shrimp (<i>Penaeus monodon</i>)	kg.	30%	-
0306 17 50	---	Flower shrimp (<i>Penaeus semisulcatus</i>)	kg.	30%	-”;

(v) in heading 0308,—

(a) in the entry in column (2), for the words “MOLLUSCS, LIVE, FRESH, CHILLED, DRIED, SALTED OR IN BRINE”, the words “MOLLUSCS, LIVE, FRESH, CHILLED, FROZEN, DRIED, SALTED OR IN BRINE” shall be substituted;

(b) for tariff item 0308 90 00 and the entries relating thereto, the following shall be substituted, namely:—

“0308 90 00	- Other	kg.	30%	-”;
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(4) in Chapter 4, in heading 0406,—

(i) for the entry in column (2) occurring against tariff item 0406 10 00, the following shall be substituted, namely:—

“- Fresh (unripened or uncured) cheese,
including whey cheese, and curd”;

(ii) for the entry in column (2) occurring against tariff item 0406 30 00, the following shall be substituted, namely:—

“- Processed cheese, not grated or powdered”;

(5) in Chapter 5, in the entry in column (2) occurring against heading 0506, for the words “DEGELATINISED POWDER”, the words “DEGELATINISED; POWDER” shall be substituted;

(6) in Chapter 7,—

(i) in Note 2, for the words “*Majorana hartensis*”, the words “*Majorana hortensis*” shall be substituted;

(ii) in the entry in column (2) occurring against heading 0705, for the word “*LACTUCASATIVA*”, the words “*LACTUCA SATIVA*” shall be substituted;

(iii) for tariff item 0709 93 00 and the entries relating thereto, the following shall be substituted, namely:—

“0709 93	--	Pumpkins, squash and gourds (<i>Cucurbita spp.</i>):			
0709 93 10	---	Pumpkins	kg.	30%	20%
0709 93 20	---	Squash	kg.	30%	20%
0709 93 30	---	Bitter gourd	kg.	30%	20%
0709 93 40	---	Bottle gourd	kg.	30%	20%
0709 93 50	---	Snake gourd	kg.	30%	20%
0709 93 60	---	Coccinia (Kundru)	kg.	30%	20%
0709 93 90	---	Other	kg.	30%	20%”;

(iv) for tariff item 0709 99 20 and the entries relating thereto, the following shall be substituted, namely:—

“0709 99 30	---	Okra/lady finger (Bhindi)	kg.	30%	20%”;
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(v) for tariff item 0713 10 00 and the entries relating thereto, the following shall be substituted, namely:—

“0713 10	-	<i>Peas (Pisum sativum):</i>			
0713 10 10	---	Yellow peas	kg.	50%	40%
0713 10 20	---	Green peas	kg.	50%	40%
0713 10 90	---	Other	kg.	50%	40%”;

(7) in Chapter 8,—

(i) for tariff item 0804 50 20 and the entries relating thereto, the following shall be substituted, namely:—

“---	<i>Mangoes, fresh:</i>				
0804 50 21	----	Alphonso (Hapus)	kg.	30%	20%
0804 50 22	----	Banganapalli	kg.	30%	20%
0804 50 23	----	Chausa	kg.	30%	20%
0804 50 24	----	Dasheri	kg.	30%	20%
0804 50 25	----	Langda	kg.	30%	20%
0804 50 26	----	Kesar	kg.	30%	20%
0804 50 27	----	Totapuri	kg.	30%	20%
0804 50 28	----	Mallika	kg.	30%	20%
0804 50 29	----	Other	kg.	30%	20%”;

(ii) for tariff item 0807 19 00 and the entries relating thereto, the following shall be substituted, namely:—

“0807 19	--	<i>Other:</i>			
0807 19 10	---	Musk melons	kg.	30%	20%
0807 19 90	---	Other	kg.	30%	20%”;

(iii) in the entry in column (2) occurring against heading 0809, for the words “PLUMS AND SOLES”, the words “PLUMS AND SLOES” shall be substituted;

(8) in Chapter 9, for the entry in column (2) occurring against sub-heading 0906 19, the following shall be substituted, namely:—

“-- *Other:*”;

(9) in Chapter 10, for tariff item 1005 90 00 and the entries relating thereto, the following shall be substituted, namely:—

“1005 90	-	<i>Other:</i>			
	---	<i>Dent corn (Zea mays var. indenta):</i>			
1005 90 11	----	Yellow	kg.	60%	-
1005 90 19	----	Other	kg.	60%	-
1005 90 20	---	Flint corn (Zea mays var. <i>indurata</i>)	kg.	60%	-
1005 90 30	---	Pop corn (Zea mays var. <i>everta</i>)	kg.	60%	-
1005 90 90	---	Other	kg.	60%	-”;

(10) in Chapter 11, after tariff item 1102 90 10 and the entries relating thereto, the following shall be inserted, namely:—

“---	<i>Rice flour:</i>				
1102 90 21	----	Brown rice flour	kg.	30%	-
1102 90 22	----	White rice flour	kg.	30%	-
1102 90 29	----	Other	kg.	30%	-”;

(11) in Chapter 12, in the entry in column (2) occurring against heading 1212, for the words “*Ci-chorium intybus sativum*”, the words “*CICHORIUM INTYBUS SATIVUM*” shall be substituted;

(12) in Chapter 15,—

(i) for the entry in column (2) occurring against tariff item 1512 19 30, the following shall be substituted, namely:—

“--- Safflower oil, edible grade”;

(ii) for the entry in column (2) occurring against tariff item 1512 19 40, the following shall be substituted, namely:—

“--- Safflower oil, non-edible grade”;

(13) in Chapter 21, in the entry in column (2) occurring against heading 2103, for the words “THEREFOR, MIXED”, the words “THEREFOR; MIXED” shall be substituted;

(14) in Chapter 22,—

(i) in Note 1, in clause (a), for the words “products falling thereunder”, the words “products of this Chapter” shall be substituted;

(ii) in the entry in column (2) occurring against tariff item 2206 00 00, for the words “MIXTURES OF FERMENTED BEVERAGES AND NON-ALCOHOLIC BEVERAGES”, the words “MIXTURES OF FERMENTED BEVERAGES AND MIXTURES OF FERMENTED BEVERAGES AND NON-ALCOHOLIC BEVERAGES” shall be substituted;

(iii) in heading 2208,—

(a) tariff items 2208 20 12, 2208 20 92 and 2208 50 13 and the entries relating thereto shall be omitted;

(b) for tariff item 2208 60 93 and the entries relating thereto, the following shall be substituted, namely:—

“2208 60 00	-	Vodka	1	150%	”;
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(15) in Chapter 25, in Note 2, in clause (b), for the words “evaluated at”, the words “evaluated as” shall be substituted;

(16) in Chapter 26,—

(i) in Note 3, in clause (a), for the words “excluding slag, ash and residues”, the words “excluding ash and residues” shall be substituted;

(ii) in heading 2620,—

(a) for the tariff item 2620 19 00 and the entries relating thereto, the following shall be substituted, namely:—

“2620 19	--	<i>Other:</i>			
2620 19 10	---	Zinc dross	kg.	10%	-
2620 19 90	---	Other	kg.	10%	”;

(b) for the tariff item 2620 29 00 and the entries relating thereto, the following shall be substituted, namely:—

“2620 29	--	<i>Other:</i>			
2620 29 10	---	Lead dross	kg.	5%	-
2620 29 90	---	Other	kg.	5%	”;

(17) in Chapter 27,—

(i) for the Supplementary Note, the following Supplementary Note shall be substituted, namely:—

“Supplementary Note:

In this Chapter, reference to any standard of the Bureau of Indian Standards refers to the last published version of that standard.

Illustration : IS 1459 refers to IS 1459: 2018 and not to IS 1459: 1974.”;

(ii) in the entry in column (2) occurring against heading 2707, for the words “COAL TAR SIMILAR PRODUCTS”, the words “COAL TAR; SIMILAR PRODUCTS” shall be substituted;

(iii) in heading 2710,—

(a) for sub-heading 2710 12, tariff items 2710 12 11 to 2710 12 90, sub-heading 2710 19 and tariff items 2710 19 10 to 2710 20 00 and the entries relating thereto, the following shall be substituted, namely:—

“2710 12	--	<i>Light oils and preparations:</i>			
	---	<i>Naphtha:</i>			
2710 12 21	----	Light naphtha	kg.	10%	-
2710 12 22	----	Heavy naphtha	kg.	10%	-
2710 12 29	----	Full range naphtha	kg.	10%	-
	---	<i>Solvent 60/80, solvent 50/120 and solvent 145/205 (petroleum hydrocarbon solvents) as specified under standard IS 1745:</i>			
2710 12 31	----	Solvent 60/80	kg.	10%	-
2710 12 32	----	Solvent 50/120	kg.	10%	-
2710 12 39	----	Solvent 145/205	kg.	10%	-
	---	<i>Motor gasoline conforming to standard IS 2796, IS 17021 or IS 17076:</i>			
2710 12 41	----	Motor gasoline conforming to standard IS 2796	kg.	10%	-
2710 12 42	----	E 20 fuel conforming to standard IS 17021	kg.	10%	-
2710 12 49	----	M15 fuel conforming to standard IS 17076	kg.	10%	-
2710 12 50	---	Aviation gasoline conforming to standard IS 1604	kg.	10%	-
2710 12 90	---	Other	kg.	10%	-
2710 19	--	<i>Other:</i>			
2710 19 20	---	Solvent 125/240 (petroleum hydrocarbon solvent) as specified under standard IS 1745	kg.	10%	-
	---	<i>Kerosene intermediate and oils obtained from kerosene intermediate:</i>			
2710 19 31	----	Kerosene intermediate	kg.	10%	-
2710 19 32	----	Kerosene conforming to standard IS 1459	kg.	10%	-
2710 19 39	----	Aviation turbine fuels, kerosene type conforming to standard IS 1571	kg.	10%	-
	---	<i>Gas oil and oils obtained from gas oil:</i>			
2710 19 41	----	Gas oil	kg.	10%	-
2710 19 42	----	Vacuum gas oil	kg.	10%	-
2710 19 43	----	Light diesel oil conforming to standard IS 15770	kg.	10%	-
2710 19 44	----	Automotive diesel fuel, not containing biodiesel, conforming to standard IS 1460	kg.	10%	-
2710 19 49	----	High flash high speed diesel fuel conforming to standard IS 16861	kg.	10%	-
	---	<i>Fuel oils conforming to standard IS 1593:</i>			
2710 19 51	----	Grade LV	kg.	10%	-

2710 19 52	----	Grade MV1	kg.	10%	-
2710 19 53	----	Grade MV2	kg.	10%	-
2710 19 59	----	Grade HV	kg.	10%	-
	---	<i>Fuels (Class F) or marine fuels conforming to standard IS 16731:</i>			
2710 19 61	----	Distillate oil	kg.	10%	-
2710 19 69	----	Residual oil	kg.	10%	-
	---	<i>Base oil and lubricating oil:</i>			
2710 19 71	----	Base oil	kg.	10%	-
2710 19 72	----	Engine oil (internal combustion engine crankcase oils) conforming to standard IS 13656	kg.	10%	-
2710 19 73	----	Engine oil conforming to standard IS 14234	kg.	10%	-
2710 19 74	----	Automotive gear oil conforming to standard IS 1118	kg.	10%	-
2710 19 75	----	Industrial gear oil conforming to standard IS 8406	kg.	10%	-
2710 19 76	----	General purpose machinery and spindle oils conforming to standard IS 493	kg.	10%	-
2710 19 77	----	Turbine lubricating oil conforming to standard IS 1012	kg.	10%	-
2710 19 78	----	Other lubricating oil, conforming to any other BIS standard	kg.	10%	-
2710 19 79	----	Other lubricating oil, not conforming to any BIS standard	kg.	10%	-
	---	<i>Cutting oil, hydraulic oil, industrial white oil, jute batching oil, mineral oil for cosmetic industry, transformer oil:</i>			
2710 19 81	----	Cutting oil conforming to standard IS 1115	kg.	10%	-
2710 19 82	----	Cutting oil (neat) conforming to standard IS 3065	kg.	10%	-
2710 19 83	----	Hydraulic oil conforming to standard IS 3098 or IS 11656	kg.	10%	-
2710 19 84	----	Industrial white oil conforming to standard IS 1083	kg.	10%	-
2710 19 85	----	Insulating oil for transformer and circuit-breaker (transformer and circuit-breaker oils) conforming to standard IS 335 or IS 12463	kg.	10%	-
2710 19 86	----	Mineral oil for cosmetic industry conforming to standard IS 7299	kg.	10%	-
2710 19 87	----	Jute batching oil conforming to standard IS 1758	kg.	10%	-
2710 19 88	----	Other cutting oil, hydraulic oil, industrial white oil, jute batching oil, mineral oil for cosmetic industry, transformer oil conforming to any other BIS standard	kg.	10%	-
2710 19 89	----	Other cutting oil, hydraulic oil, industrial white oil, jute batching oil, mineral oil for cosmetic industry, transformer oil, not conforming to any BIS standard	kg.	10%	-
2710 19 90	---	Other	kg.	10%	-
2710 20	-	<i>Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70 % or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, containing biodiesel, other than waste oils:</i>			

2710 20 10	---	Automotive diesel fuel, containing biodiesel, conforming to standard IS 1460	kg.	10%	-
2710 20 20	---	Diesel fuel blend (B6 to B20) conforming to standard IS 16531	kg.	10%	-
2710 20 90	---	Other	kg.	10%	-";

(b) for the entry in column (2) occurring against tariff item 2710 99 00, the following shall be substituted, namely:—

“- -	Other”;
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(iv) in heading 2711, for tariff item 2711 19 00 and the entries relating thereto, the following shall be substituted, namely:—

“2711 19	--	<i>Other:</i>			
2711 19 10	---	LPG (for non-automotive purposes) conforming to standard IS 4576	kg.	10%	-
2711 19 20	---	LPG (for automotive purposes) conforming to standard IS 14861	kg.	10%	-
2711 19 90	---	Other	kg.	10%	-";

(v) in heading 2713, for tariff items 2713 11 00 and 2713 12 00 and the entries relating thereto, the following shall be substituted, namely:—

“2713 11	--	<i>Not calcined:</i>			
2713 11 10	---	Raw petroleum coke for anode making in aluminium industry conforming to standard IS 17049	kg.	10%	-
2713 11 90	---	Other	kg.	10%	-
2713 12	--	<i>Calcined:</i>			
2713 12 10	---	Calcined petroleum coke for anode making in aluminium industry conforming to standard IS 17049	kg.	10%	-
2713 12 90	---	Other	kg.	10%	-";

(18) in Chapter 28,—

(i) in Note 3, in clause (e), for the words and figures “of heading 3813, ink removers”, the words and figures “of heading 3813; ink removers” shall be substituted;

(ii) for the entry in column (2) occurring against tariff item 2836 30 00, the following shall be substituted, namely:—

“-	Sodium hydrogencarbonate (sodium bicarbonate)”;
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(19) in Chapter 29,—

(i) in Note 5, in clause (C), in paragraph (1), for the words “compound; and”, the word “compound;” shall be substituted;

(ii) in Note 7, for the words “thioaldehydes anhydrides”, the words “thioaldehydes, anhydrides” shall be substituted;

(iii) after tariff item 2901 29 20 and the entries relating thereto, the following shall be inserted, namely:—

“2901 29 30	---	Dihydromyrcene	kg.	10%	-
2901 29 40	---	Tetradecene	kg.	10%	-";

(iv) in heading 2902,—

(a) for tariff item 2902 19 00 and the entries relating thereto, the following shall be substituted, namely:—

“2902 19	--	<i>Other:</i>			
2902 19 10	---	Cyclopropyl acetylene	kg.	10%	-
2902 19 90	---	Other	kg.	10%	-";

(b) after tariff item 2902 90 50 and the entries relating thereto, the following shall be inserted, namely:—

“2902 90 60	---	N-propyl benzene	kg.	10%	-”;
-------------	-----	------------------	-----	-----	-----

(v) in heading 2904, tariff item 2904 10 40 and the entries relating thereto, shall be omitted;

(vi) in heading 2905,—

(a) after tariff item 2905 22 40 and the entries relating thereto, the following shall be inserted, namely:—

“2905 22 50	---	Dihydromyrcenol	kg.	10%	-”;
-------------	-----	-----------------	-----	-----	-----

(b) after tariff item 2905 39 10 and the entries relating thereto, the following shall be inserted, namely:—

“2905 39 20	---	Hexylene glycol	kg.	10%	-”;
-------------	-----	-----------------	-----	-----	-----

(vii) in heading 2907, after tariff item 2907 29 10 and the entries relating thereto, the following shall be inserted, namely:—

“2907 29 20	---	Tris (p-hydroxy phenyl) ethane	kg.	10%	-
-------------	-----	--------------------------------	-----	-----	---

2907 29 30	---	Tertiary butyl hydroquinone	kg.	10%	-”;
------------	-----	-----------------------------	-----	-----	-----

(viii) in heading 2909,—

(a) for tariff item 2909 19 00 and the entries relating thereto, the following shall be substituted, namely:—

“2909 19	--	<i>Other:</i>			
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2909 19 10	---	Tertiary amyl methyl ether	kg.	10%	-
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2909 19 20	---	Methyl tertiary butyl ether (MTBE)	kg.	10%	-
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2909 19 90	---	Other	kg.	10%	-”;
------------	-----	-------	-----	-----	-----

(b) for the entry in column (2) occurring against tariff item 2909 41 00, the following shall be substituted, namely:—

“-- 2,2'-oxydiethanol (diethylene glycol, digol);

(c) for tariff item 2909 49 00 and the entries relating thereto, the following shall be substituted, namely:—

“2909 49	--	<i>Other:</i>			
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2909 49 10	---	Phenoxy ethanol	kg.	10%	-
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2909 49 20	---	1-(4-phenoxyphenoxy) propan-2-ol	kg.	10%	-
------------	-----	----------------------------------	-----	-----	---

2909 49 30	---	Meta phenoxy benzyl alcohol (MPBA)	kg.	10%	-
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2909 49 90	---	Other	kg.	10%	-”;
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(d) after tariff item 2909 50 30 and the entries relating thereto, the following shall be inserted, namely:—

“2909 50 40	---	4-methoxy phenol (mono methyl ether of hydroquinone)	kg.	10%	-
-------------	-----	------------------------------------------------------	-----	-----	---

“2909 50 50	---	Butylated hydroxyanisole (BHA)	kg.	10%	-”;
-------------	-----	--------------------------------	-----	-----	-----

(ix) in heading 2912, after tariff item 2912 29 20 and the entries relating thereto, the following shall be inserted, namely:—

“2912 29 30	---	Hexyl cinnamic aldehyde	kg.	10%	-”;
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(x) in heading 2914,—

(a) after tariff item 2914 29 22 and the entries relating thereto, the following shall be inserted, namely:—

“2914 29 30	---	Pentyl-2-cyclopenten-1-one	kg.	10%	-
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2914 29 40	---	Cyclohexane dione	kg.	10%	-
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2914 29 50	---	7-acetyl, 1,2,3,4,5,6,7,8-octahydro, 1,1, 6,7-tetra methyl	kg.	10%	-”;
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Naphthalene / 1-(2,3,8,8-tetramethyl-1,2,3,4,5,6,7,8-octahydronaphthalen-2-yl) ethanone

(b) after tariff item 2914 79 20 and the entries relating thereto, the following shall be inserted, namely:—

“2914 79 30	---	Tri fluoro methyl acetophenone	kg.	10%	-
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2914 79 40	---	Chloro-4-(4-chloro phenoxy) acetophenone	kg.	10%	-
------------	-----	------------------------------------------	-----	-----	---

2914 79 50	---	Dichloroacetophenone	kg.	10%	-”;
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(xi) in heading 2915,—

(a) after tariff item 2915 39 60 and the entries relating thereto, the following shall be inserted, namely:—

“2915 39 70	---	Ortho tertiary butyl cyclohexyl acetate	kg.	10%	-
2915 39 80	---	Para tertiary butyl cyclohexyl acetate	kg.	10%	”;

(b) for tariff item 2915 39 90 and the entries relating thereto, the following shall be substituted, namely:—

	“---	<i>Other:</i>			
2915 39 91	----	Methyl cyclohexyl acetate	kg.	10%	-
2915 39 92	----	Ethylene glycol mono ethyl ether acetate	kg.	10%	-
2915 39 99	----	Other	kg.	10%	”;

(c) for tariff items 2915 90 20 to 2915 90 90 and the entries relating thereto, the following shall be substituted, namely:—

“2915 90 40	---	Pivaloyl chloride	kg.	10%	-
2915 90 50	---	N-valeryl chloride	kg.	10%	-
2915 90 60	---	N-octanoyl chloride	kg.	10%	-
2915 90 70	---	Neodecanoyl chloride	kg.	10%	-
	---	<i>Other:</i>			
2915 90 91	----	Hexoic acid (caproic acid)	kg.	10%	-
2915 90 92	----	Octoic acid (caprylic acid)	kg.	10%	-
2915 90 93	----	Tri fluoro acetic acid	kg.	10%	-
2915 90 94	----	Ethyl difluoro acetate	kg.	10%	-
2915 90 95	----	Ethyl trifluoro acetate	kg.	10%	-
2915 90 99	----	Other	kg.	10%	”;

(xii) in heading 2916,—

(a) after tariff item 2916 19 60 and the entries relating thereto, the following shall be inserted, namely:—

“2916 19 70	---	Erucic acid	kg.	10%	”;
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(b) for tariff item 2916 20 00 and the entries relating thereto, the following shall be substituted, namely:—

“2916 20	-	<i>Cyclanic, cyclenic or cycloterpenic monocarboxylic acids, their anhydrides, halides, peroxides, peroxyacids and their derivatives:</i>			
2916 20 10	---	D. V. acid chloride/cypermethric acid chloride	kg.	10%	-
2916 20 90	---	Other	kg.	10%	”;

(c) after tariff item 2916 39 50 and the entries relating thereto, the following shall be inserted, namely:—

“2916 39 60	---	Dichlorophenyl acetyl chloride	kg.	10%	”;
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(xiii) in heading 2917,—

(a) for tariff item 2917 13 00 and the entries relating thereto, the following shall be substituted, namely:—

“2917 13	--	<i>Azelaic acid, sebacic acid, their salts and esters:</i>			
2917 13 10	---	Sebacic Acid	kg.	10%	-
2917 13 90	---	Other	kg.	10%	”;

(b) in the entry in column (2) occurring against tariff item 2917 20 00, for the word “polycarboxylic”, the word “polycarboxylic” shall be substituted;

(xiv) in heading 2918,—

(a) for the entry in column (2) occurring against sub-heading 2918 19, the following shall be substituted, namely:—

“--	<i>Other:</i> ”;
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(b) after tariff item 2918 19 10 and the entries relating thereto, the following shall be inserted, namely:—

“2918 19 20	---	Cholic acid	kg.	10%	-
2918 19 30	---	Ricinoleic acid	kg.	10%	-”;

(c) after tariff item 2918 23 30 and the entries relating thereto, the following shall be inserted, namely:—

“2918 23 40	---	Benzyl salicylate	kg.	10%	-”;
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(d) after tariff item 2918 30 40 and the entries relating thereto, the following shall be inserted, namely:—

“2918 30 50	---	Fluoro benzoyl butyric acid	kg.	10%	-”;
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(e) for tariff item 2918 99 00 and the entries relating thereto, the following shall be substituted, namely:—

“2918 99	--	Other:			
2918 99 10	---	Sodium phenoxy acetate	kg.	10%	-
2918 99 20	---	Methyl (E)-2-[2-(chloro methyl) phenyl]-3-methoxyacrylate	kg.	10%	-
2918 99 90	---	Other	kg.	10%	-”;

(xv) in heading 2920, for tariff item 2920 90 99 and the entries relating thereto, the following shall be substituted, namely:—

“2920 90 00	-	Other	kg.	10%	-”;
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(xvi) in heading 2921,—

(a) for tariff items 2921 42 15 to 2921 42 24 and the entries relating thereto, the following shall be substituted, namely:—

“2921 42 15	----	2 - 4 - 5 trichloroaniline	kg.	10%	-
	---	<i>N</i> -benzyl- <i>N</i> -ethylaniline, <i>N,N</i> -diethylaniline, <i>N,N</i> -dimethylaniline, meta nitroaniline, para nitroaniline:			
2921 42 21	----	N-benzyl- <i>N</i> -ethylaniline	kg.	10%	-
2921 42 22	----	<i>N,N</i> -diethylaniline	kg.	10%	-
2921 42 23	----	<i>N,N</i> -dimethylaniline	kg.	10%	-
2921 42 24	----	N-ethyl aniline	kg.	10%	-”;

(b) for tariff items 2921 43 10 to 2921 43 20 and the entries relating thereto, the following shall be substituted, namely:—

“2921 43 10	---	N,N-diethyl toluidine	kg.	10%	-
2921 43 20	---	N,N-dimethyl toluidine	kg.	10%	-”;

(c) after tariff item 2921 49 10 and the entries relating thereto, the following shall be inserted, namely:—

“2921 49 20	--	Para cumidine	kg.	10%	-”;
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(d) after tariff item 2921 59 30 and the entries relating thereto, the following shall be inserted, namely:—

“2921 59 40	---	Diaminostilbene 2,2-disulphonic acid (Dasda)	kg.	10%	-”;
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(xvii) in heading 2922,—

(a) for the entry in column (2) occurring against sub-heading 2922 11, the following shall be substituted, namely:—

“-- Monoethanolamine and its salts:”;

(b) in the entry in column (2) occurring after the entry against tariff item 2922 29 26, after the words, brackets and letter “Picramic acid (T-grade)”, the words “, para cresidine ortho sulphonic acid” shall be inserted;

(c) after tariff item 2922 29 35 and the entries relating thereto, the following shall be inserted, namely:—

“2922 29 36	----	Para cresidine ortho sulphonic acid	kg.	10%	-”;
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(xviii) in heading 2930, after tariff item 2930 90 97 and the entries relating thereto, the following shall be inserted, namely:—

“2930 90 98	----	Dichloro diphenyl sulphone	kg.	10%	-”;
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(xix) in heading 2932, for tariff item 2932 99 00 and the entries relating thereto, the following shall be substituted, namely:—

“2932 99	--	<i>Other:</i>				
2932 99 10	---	Cineole	kg.	10%	-	
2932 99 90	---	Other	kg.	10%	-”;	

(xx) in heading 2933,—

(a) for tariff item 2933 19 90 and the entries relating thereto, the following shall be substituted, namely:—

“---	<i>Other:</i>					
2933 19 91	----	Fluoro-3-(difluoromethyl)-1-methyl-1h-pyrazole-4-carbonyl fluoride	kg.	10%	-	
2933 19 99	----	Other	kg.	10%	-”;	

(b) tariff item 2933 39 17 and the entries relating thereto, shall be omitted;

(c) after tariff item 2933 69 10 and the entries relating thereto, the following shall be inserted, namely:—

“2933 69 20	---	4-[4,6-bis(2,4-dimethylphenyl)-1,3,5-triazine-2-yl]-1,3-benzenediol	kg.	10%	-	
2933 69 30	---	Tris(2-hydroxyethyl) isocyanurate	kg.	10%	-	
2933 69 40	---	Ethylhexyltriazone	kg.	10%	-	
2933 69 50	---	2,4,6-tri(2,4-dihydroxyl-3-methylphenyl)-1,3,5-triazine	kg.	10%	-”;	

(d) for tariff item 2933 79 00 and the entries relating thereto, the following shall be substituted, namely:—

“2933 79	--	<i>Other lactams :</i>				
2933 79 10	---	N-methyl-2-pyrrolidone	kg.	10%	-	
2933 79 20	---	N-ethyl-2-pyrrolidone	kg.	10%	-	
2933 79 90	---	Other	kg.	10%	-”;	

(e) in the entry in column (2) occurring against tariff item 2933 91 00, for the words, brackets and letters “flunitzepam (INN), flurazepam (INN), halazaepam (INN)”, the words, brackets and letters “flunitrazepam (INN), flurazepam (INN), halazepam (INN)” shall be substituted;

(f) for tariff item 2933 99 00 and the entries relating thereto, the following shall be substituted, namely:—

“2933 99	--	<i>Other:</i>				
2933 99 10	---	Imidazo pyridine methyl amine	kg.	10%	-	
2933 99 90	---	Other	kg.	10%	-”;	

(xxi) in heading 2934,—

(a) in the entry in column (2) occurring against tariff item 2934 91 00, for the word “claxazolam”, the word “cloxazolam” shall be substituted;

(b) for tariff item 2934 99 00 and the entries relating thereto, the following shall be substituted, namely:—

“2934 99	--	<i>Other:</i>				
2934 99 10	---	Chloro thiophene-2-carboxylic acid	kg.	10%	-	
2934 99 20	---	Morpholine	kg.	10%	-	
2934 99 90	---	Other	kg.	10%	-”;	

(xxii) in heading 2937, in the entry in column (2) occurring against tariff item 2937 21 00, for the words and brackets “prednisone, (dehydrocortisone)”, the words and brackets “prednisone (dehydrocortisone)” shall be substituted;

(xxiii) in heading 2939,—

(a) for the entry in column (2) occurring against tariff item 2939 19 00, the following shall be substituted, namely:—

“--	<i>Other”;</i>					
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(b) for tariff item 2939 79 00 and the entries relating thereto, the following shall be substituted, namely:—

“2939 79 --	<i>Other:</i>			
2939 79 10 ---	Nicotine kg.	10%	-	
2939 79 90 ---	Other kg.	10%	-”;	

(20) in Chapter 30,—

(i) in heading 3004, in the entry in column (2) occurring after the entry against tariff item 3004 20 99, for the words “*hormones and other products*”, the words “*hormones or other products*” shall be substituted;

(ii) in heading 3006, in the entry in column (2) occurring against sub-heading 3006 60, for the words “*hormones, or other products*”, the words “*hormones, on other products*” shall be substituted;

(21) in Chapter 31, in Note 1, in clause (c), for the brackets, words, figures and letter “(other than optical elements weighing not less than 2.5 g. each, of heading 3824)”, the brackets, words, figures and letter “(other than optical elements) weighing not less than 2.5 g. each, of heading 3824” shall be substituted;

(22) in Chapter 32,—

(i) in heading 3204, in the entry in column (2) occurring against sub-heading 3204 15, for the words “*preparations thereon*”, the words “*preparations based thereon*” shall be substituted;

(ii) in the entry in column (2) occurring against heading 3207, for the words “CERAMIC ENAMELLING”, the words “CERAMIC, ENAMELLING” shall be substituted;

(23) in Chapter 33,—

(i) in heading 3301, for the entry in column (2) occurring after the entry against tariff item 3301 30 10, the following shall be substituted;

“--- *Other:*”

(ii) in the entry in column (2) occurring against heading 3307, for the words “INCLUDED, PREPARED”, the words “INCLUDED; PREPARED” shall be substituted;

(24) in Chapter 34, in heading 3402,—

(i) in the entry in column (2) occurring against heading 3402, for the brackets and words “(OTHER THAN SOAP), SURFACE-ACTIVE PREPARATIONS”, the brackets and words “(OTHER THAN SOAP); SURFACE-ACTIVE PREPARATIONS” shall be substituted;

(ii) for the entry in column (2) occurring against sub-heading 3402 90, the following shall be substituted;

“- *Other:*”

(25) in Chapter 37, in the entry in column (2) occurring against heading 3703, for the words “TEXTILES SENSITISED”, the words “TEXTILES, SENSITISED” shall be substituted;

(26) in Chapter 38,—

(i) in Sub-heading Note 3, for the brackets and words “(pchlorophenyl)ethane”, the brackets and words “(p-chlorophenyl)ethane” shall be substituted;

(ii) Supplementary Notes shall be omitted;

(iii) in heading 3804,—

(a) in the entry in column (2), for the words “LYES FOR”, the words “LYES FROM” shall be substituted;

(b) in the entry in column (2) occurring against sub-heading 3804 00, for the words “*lyes for*”, the words “*lyes from*” shall be substituted;

(iv) in heading 3808,—

(a) for the entry in column (2) occurring against sub-heading 3808 92, the following shall be substituted, namely:—

“- - *Fungicides:*”;

(b) in the entry in column (2) occurring against sub-heading 3808 93, for the words “*plant-growth regulated*”, the words “*plant-growth regulators*” shall be substituted;

(v) in heading 3824,—

(a) after tariff item 3824 88 00 and the entries relating thereto, the following shall be inserted, namely:—

“— *Other:*”;

(b) for sub-heading 3824 99 and tariff items 3824 99 11 to 3824 99 90 and the entries relating thereto, the following shall be substituted, namely:—

“3824 99 00	--	Other	kg.	10%	-”;
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(27) in Chapter 39,—

(i) in heading 3901,—

(a) for tariff item 3901 10 10 and the entries relating thereto, the following shall be substituted, namely:—

“3901 10 10	---	Linear low density polyethylene (LLDPE), in which ethylene monomer unit contributes 95 % or more by weight of the total polymer content	kg.	10%	-
3901 10 20	---	Low density polyethylene (LDPE)	kg.	10%	-”;

(b) for tariff item 3901 40 00, sub-heading 3901 90 and tariff items 3901 90 10 to 3901 90 90 and the entries relating thereto, the following shall be substituted, namely:—

“3901 40	-	<i>Ethylene-alpha-olefin copolymers, having a specific gravity of less than 0.94:</i>			
3901 40 10	---	Linear low density polyethylene (LLDPE), in which ethylene monomer unit contributes less than 95 % by weight of the total polymer content	kg.	10%	-
3901 40 90	---	Other	kg.	10%	-
3901 90 00	-	Other	kg.	10%	-”;

(ii) in heading 3904,—

(a) for tariff items 3904 40 00 to 3904 50 10 and the entries relating thereto, the following shall be substituted, namely:—

“3904 40 00	-	Other vinyl chloride copolymers	kg.	10%	-
3904 50	-	<i>Vinylidene chloride polymers :</i>			
3904 50 10	---	Copolymer of vinylidene chloride with acrylonitrile, in the form of expandable beads of a diameter of 4 micrometers or more but not more than 20 micrometers	kg.	10%	-”;

(b) for tariff item 3904 90 00 and the entries relating thereto, the following shall be substituted, namely:—

“3904 90	-	<i>Other:</i>			
3904 90 10	---	Chlorinated poly vinyl chloride (CPVC) resin	kg.	10%	-
3904 90 90	---	Other	kg.	10%	-”;

(iii) in heading 3906, for tariff items 3906 90 10 to 3906 90 30 and the entries relating thereto, the following shall be substituted, namely:—

“3906 90 40	---	Poly (acrylic acid)	kg.	10%	-
3906 90 50	---	Polyacrylonitrile (PAN)	kg.	10%	-
3906 90 60	---	Copolymers of acrylonitrile	kg.	10%	-
3906 90 70	---	Sodium polyacrylate	kg.	10%	-”;

(iv) in heading 3907,—

(a) for tariff item 3907 61 00 and the entries relating thereto, the following shall be substituted, namely:—

“3907 61	--	<i>Having a viscosity number of 78 ml/g or higher:</i>			
3907 61 10	---	PET flake (chip)	kg.	10%	-
3907 61 90	---	Other primary form	kg.	10%	-”;

(b) for tariff items 3907 69 10 to 3907 69 90 and the entries relating thereto, the following shall be substituted, namely:—

“3907 69 30	---	PET flake (chip)	kg.	10%	-
3907 69 90	---	Other primary form	kg.	10%	-”;

(c) for sub-heading 3907 99 and tariff items 3907 99 10 to 3907 99 90 and the entries relating thereto, the following shall be substituted, namely:—

“3907 99 00	--	Other	kg.	10%	-”;
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(v) in heading 3908, for tariff items 3908 10 10 to 3908 10 90, sub-heading 3908 90 and tariff items 3908 90 10 to 3908 90 90 and the entries relating thereto, the following shall be substituted, namely:—

“---		<i>Polyamide -6 (Nylon-6):</i>			
3908 10 11	----	Flake (chip)	kg.	10%	-
3908 10 19	----	Other primary form	kg.	10%	-
	---	<i>Polyamide -11 (Nylon-11):</i>			
3908 10 21	----	Flake (chip)	kg.	10%	-
3908 10 29	----	Other primary form	kg.	10%	-
	---	<i>Polyamide -12 (Nylon-12):</i>			
3908 10 31	----	Flake (chip)	kg.	10%	-
3908 10 39	----	Other primary form	kg.	10%	-
	---	<i>Polyamide -6,6 (Nylon-6,6):</i>			
3908 10 41	----	Flake(chip)	kg.	10%	-
3908 10 49	----	Other primary form	kg.	10%	-
	---	<i>Polyamide -6,9 (Nylon-6,9):</i>			
3908 10 51	----	Flake (chip)	kg.	10%	-
3908 10 59	----	Other primary form	kg.	10%	-
	---	<i>Polyamide -6,10 (Nylon-6,10):</i>			
3908 10 61	----	Flake (chip)	kg.	10%	-
3908 10 69	----	Other primary form	kg.	10%	-
	---	<i>Polyamide -6,12 (Nylon-6,12):</i>			
3908 10 71	----	Flake (chip)	kg.	10%	-
3908 10 79	----	Other primary form	kg.	10%	-
3908 90 00	-	Other	kg.	10%	-”;

(vi) in heading 3911, in the entry in column (2) occurring against sub-heading 3911 10, for the words “*Petroleum resins, coumarone-indene*”, the words “*Petroleum resins, coumarone, indene*” shall be substituted;

(vii) in heading 3920, for sub-heading 3920 91 and tariff items 3920 91 11 to 3920 91 19 and the entries relating thereto, the following shall be substituted, namely:—

“-		<i>Of other plastics:</i>			
3920 91	--	<i>Of poly (vinyl butyral):</i>			
3920 91 10	---	Rigid, plain	kg.	10%	-
3920 91 20	---	Flexible, plain	kg.	10%	-
3920 91 90	---	Other	kg.	10%	-”;

(28) in Chapter 40,—

- (i) in Note 5, in clause (B), in paragraph (iii), for the word “vulcanised”, the word “stabilisers” shall be substituted;
- (ii) in heading 4010,—

(a) for the entry in column (2) occurring against sub-heading 4010 31, the following shall be substituted, namely:—

“-- *Endless transmission belts of trapezoidal cross-section (V-belts), V-ribbed, of an outside circumference exceeding 60 cm but not exceeding 180 cm:;*”

(b) for the entry in column (2) occurring against sub-heading 4010 33, the following shall be substituted, namely:—

“-- *Endless transmission belts of trapezoidal cross-section (V-belts), V-ribbed, of an outside circumference exceeding 180 cm but not exceeding 240 cm:;*”

(29) in Chapter 42, in Note 2, in clause (f), for the word “rigid-crops”, the word “riding-crops” shall be substituted;

(30) in Chapter 44,—

(i) in Note 1, in clause (m), for the word and figures “Section XVII”, the word and figures “Section XVIII” shall be substituted;

(ii) in Supplementary Note 1, for the letters and figures “IS : 710-1976”, the letters and figures “IS 710” shall be substituted;

(iii) in Supplementary Note 2, for the letters and figures “IS : 709-1974 and IS : 4859-1968”, the letters and figures “IS 709 and IS 4859” shall be substituted;

(iv) in heading 4402, for sub-heading 4402 10 and tariff item 4402 10 10 and the entries relating thereto, the following shall be substituted, namely:—

“4402 10 00	-	Of bamboo	mt	5%	”;
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(31) in Chapter 46, in heading 4601, after tariff item 4601 29 00 and the entries relating thereto, the following shall be inserted, namely:—

<p style="text-align: center;">“-</p>	<p style="text-align: center;"><i>Other:;</i></p>
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(32) in Chapter 48,—

(i) in heading 4818, in the entry in column (2) occurring against tariff item 4818 20 00, for the word “cleaning”, the word “cleansing” shall be substituted;

(ii) in the entry in column (2) occurring against heading 4820, for the words “EXCISE BOOKS”, the words “EXERCISE BOOKS” shall be substituted;

(33) in Chapter 53, in the entry in column (2) occurring against heading 5310, for the words “BASE FIBRES”, the words “BAST FIBRES” shall be substituted;

(34) in Chapter 55,—

(i) in heading 5502,—

(a) for the entry in column (2) occurring against sub-heading 5502 10, the following shall be substituted, namely:—

<p style="text-align: center;">“-</p>	<p style="text-align: center;"><i>Of cellulose acetate:;</i></p>
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(b) for the entry in column (2) occurring against sub-heading 5502 90, the following shall be substituted, namely:—

<p style="text-align: center;">“-</p>	<p style="text-align: center;"><i>Other:;</i></p>
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(ii) in heading 5504, for tariff item 5504 10 00 and the entries relating thereto, the following shall be substituted, namely:—

“5504 10	-	Of viscose rayon:	kg.	20%	”;
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5504 10 10	---	Obtained from wood other than bamboo	kg.	20%	”;
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5504 10 20	---	Obtained from bamboo	kg.	20%	”;
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5504 10 90	---	Other	kg.	20%	”;
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(35) in Chapter 56, in the entry in column (2) occurring against heading 5605, for the words “NOT GIMPED BEING TEXTILE YARN”, the words “NOT GIMPED, BEING TEXTILE YARN” shall be substituted;

(36) in Chapter 57,—

(i) in heading 5701, for tariff item 5701 10 00, sub-heading 5701 90 and tariff items 5701 90 10 to 5701 90 20 and the entries relating thereto, the following shall be substituted, namely:—

“5701 10	-	<i>Of wool or fine animal hair:</i>				
5701 10 10	---	Hand-made	m ²	25%	-	
5701 10 90	---	Other	m ²	25%	-	
5701 90	-	<i>Of other textile materials:</i>				
	---	<i>Of cotton:</i>				
5701 90 11	----	Hand-made	m ²	25%	-	
5701 90 19	----	Other	m ²	25%	-	
5701 90 20	---	Of coir including geo textile	m ²	25%	-	
	---	<i>Of silk:</i>				
5701 90 31	----	Hand-made	m ²	25%	-	
5701 90 39	----	Other	m ²	25%	-”;	

(ii) in heading 5702,—

(a) for the entry in column (2) occurring after the entry against sub-heading 5702 50, the following shall be substituted, namely:—

“--- *Of man-made textile materials:*;”

(b) for the entry in column (2) occurring after the entry against tariff item 5702 50 29, the following shall be substituted, namely:—

“--- *Of other textile materials:*;”

(37) in Chapter 59, in heading 5907, for the entry in column (2) occurring after the entry against tariff item 5907 00 19, the following shall be substituted, namely:—

“--- *Other:*;”

(38) in Chapter 60, after sub-heading Note, the following Supplementary Note shall be inserted, namely:—

“Supplementary Note:

Tariff items 6001 91 00, 6001 92 00 and sub-heading 6001 99 includes cut-pile fabrics produced through shearing of loops during or after the production of fabric.”;

(39) in Chapter 61,—

(i) in heading 6103, after tariff item 6103 10 90 and the entries relating thereto, the following shall be inserted, namely:—

“- *Ensembles:*;”

(ii) in heading 6115, after tariff item 6115 30 00 and the entries relating thereto, the following shall be inserted, namely:—

“- *Other:*;”

(40) in Chapter 62,—

(i) in Note 3, in clause (b), for the words “corresponding of compatible size”, the words “corresponding or compatible size” shall be substituted;

(ii) after Note 9, the following Supplementary Note shall be inserted, namely:—

“Supplementary Note:

For the purpose of this Chapter, “Khadi” means,—

(a) the article of apparel or clothing accessories, made from any cloth woven on handlooms in India from cotton, silk or woollen yarn handspun in India or from a mixture of any two or all of such yarns; and

(b) produced by a person certified or recognised by the Khadi Village Industries Commission established under section 4 of the Khadi and Village Industries Commission Act, 1956 (61 of 1956).”;

(iii) in heading 6203,—

(a) for tariff items 6203 29 00 to 6203 31 00 and the entries relating thereto, the following shall be substituted, namely:—

“6203 29	--	<i>Of other textile materials:</i>			
	---	<i>Of silk:</i>			
6203 29 11	----	Khadi	u	25% or Rs. 145 per piece, whichever is higher	-
6203 29 19	----	Other	u	25% or Rs. 145 per piece, whichever is higher	-
6203 29 90	---	Other	u	25% or Rs. 145 per piece, whichever is higher	-
	-	<i>Jackets and blazers:</i>			
6203 31	--	<i>Of wool or fine animal hair:</i>			
6203 31 10	---	Khadi	u	25% or Rs. 815 per piece, whichever is higher	-
6203 31 90	---	Other	u	25% or Rs. 815 per piece, whichever is higher	-”; whichever is higher

(b) for tariff item 6203 39 10 and the entries relating thereto, the following shall be substituted, namely:—

“---	<i>Of silk:</i>			
6203 39 11	----	Khadi	u	25% or Rs. 755 per piece, whichever is higher
6203 39 19	----	Other	u	25% or Rs. 755 per piece, whichever is higher

(c) for tariff item 6203 42 00 and the entries relating thereto, the following shall be substituted, namely:—

“6203 42	--	<i>Of cotton:</i>		
6203 42 10	---	Handloom	u	25% or Rs. 135 per piece, whichever is higher
6203 42 90	---	Other	u	25% or Rs. 135 per piece, whichever is higher

(iv) in heading 6204,—

(a) for tariff item 6204 29 11 and the entries relating thereto, the following shall be substituted, namely:—

“6204 29 12	----	Khadi	u	25%	-”;
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(b) for tariff item 6204 31 00 and the entries relating thereto, the following shall be substituted, namely:—

“6204 31	--	<i>Of wool or fine animal hair:</i>		
6204 31 10	---	Khadi	u	25% or Rs. 370 per piece, whichever is higher
6204 31 90	---	Other	u	25% or Rs. 370 per piece, whichever is higher

(c) for tariff item 6204 39 11 and the entries relating thereto, the following shall be substituted, namely:—

“6204 39 12	----	Khadi	u	25% or Rs. 350 per piece, whichever is higher	-”;
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(d) for the entry in column (2) occurring against tariff item 6204 42 20, the following shall be substituted, namely:—

“--- Handloom”;

(e) for tariff item 6204 62 00 and the entries relating thereto, the following shall be substituted, namely:—

“6204 62	--	<i>Of cotton:</i>			
6204 62 10	---	Handloom	u	25% or Rs. 135 per piece, whichever is higher	-
6204 62 90	---	Other	u	25% or Rs. 135 per piece, whichever is higher	”;

(v) in heading 6205,—

(a) for tariff item 6205 20 00 and the entries relating thereto, the following shall be substituted, namely:—

“6205 20	-	<i>Of cotton:</i>			
6205 20 10	---	Handloom	u	25% or Rs. 85 per piece, whichever is higher	-
6205 20 90	---	Other	u	25% or Rs. 85 per piece, whichever is higher	”;

(b) for tariff item 6205 90 10 and the entries relating thereto, the following shall be substituted, namely:—

“---	<i>Of silk:</i>				
6205 90 11	----	Khadi	u	25% or Rs. 95 per piece, whichever is higher	-
6205 90 19	----	Other	u	25% or Rs. 95 per piece, whichever is higher	”;

(vi) in heading 6206, for tariff item 6206 30 00 and the entries relating thereto, the following shall be substituted, namely:—

“6206 30	-	<i>Of cotton:</i>			
6206 30 10	---	Handloom	u	25% or Rs. 95 per piece, whichever is higher	-
6206 30 90	---	Other	u	25% or Rs. 95 per piece, whichever is higher	”;

(vii) in heading 6207, for tariff items 6207 19 90 to 6207 22 00 and the entries relating thereto, the following shall be substituted, namely:—

“6207 19	90	---	Other	u	25% or Rs. 30 per piece, whichever is higher	-
<i>Night shirts and pyjamas:</i>						
6207 21	--	<i>Of cotton:</i>				
6207 21 10	---	Handloom	u	25%		-
6207 21 90	---	Other	u	25%		-
6207 22 00	--	Of man-made fibres	u	25%		”;

(viii) in heading 6208, for tariff item 6208 21 00 and the entries relating thereto, the following shall be substituted, namely:—

“6208 21	--	<i>Of cotton:</i>				
6208 21 10	---	Handloom	u	25%		-
6208 21 90	---	Other	u	25%		”;

(ix) in heading 6209, for tariff item 6209 20 00 and the entries relating thereto, the following shall be substituted, namely:—

“6209 20	-	<i>Of cotton:</i>				
6209 20 10	---	Handloom	u	25%		-
6209 20 90	---	Other	u	25%		”;

(x) in heading 6211—

(a) for tariff item 6211 39 00 and the entries relating thereto, the following shall be substituted, namely:—

“6211 39	--	<i>Of other textile materials:</i>				
	---	<i>Of silk:</i>				
6211 39 11	----	Handloom	u	25%	-	
6211 39 19	----	Other	u	25%	-	
6211 39 90	---	Other	u	25%	-”;	

(b) after tariff item 6211 49 10 and the entries relating thereto, the following shall be inserted, namely:—

	---	<i>Of silk:</i>				
6211 49 21	----	Khadi	u	25%	-	
6211 49 29	----	Other	u	25%	-”;	

(xi) in heading 6214, for tariff items 6214 20 20 and 6214 20 30 and the entries relating thereto, the following shall be substituted, namely:—

	---	<i>Scarves:</i>				
6214 20 21	----	Khadi	u	25% or Rs. 180 per piece,- whichever is higher		
6214 20 29	----	Other	u	25% or Rs. 180 per piece,- whichever is higher		
	---	<i>Mufflers:</i>				
6214 20 31	----	Khadi	u	25% or Rs. 180 per piece,- whichever is higher		
6214 20 39	----	Other	u	25% or Rs. 180 per piece,-”; whichever is higher		

(xii) in heading 6215, for tariff item 6215 10 00 and the entries relating thereto, the following shall be substituted, namely:—

“6215 10	-	<i>Of silk or silk waste:</i>				
6215 10 10	---	Khadi	u	25% or Rs. 55 per piece,- whichever is higher		
6215 10 90	---	Other	u	25% or Rs. 55 per piece,-”; whichever is higher		

(41) in Chapter 68,—

(i) in Note 1, in clause (b), for the words “paper coated with mica”, the words “paper and paperboard coated with mica” shall be substituted;

(ii) in heading 6813, for sub-heading 6813 20, tariff items 6813 20 10 to 6813 89 00 and the entries relating thereto, the following shall be substituted, namely:—

“6813 20	-	<i>Containing asbestos:</i>				
6813 20 10	---	Brake lining and pads	kg.	15%	-	
6813 20 90	---	Asbestos friction materials	kg.	15%	-	
	-	<i>Not containing asbestos:</i>				
6813 81 00	--	Brake linings and pads	kg.	15%	-	
6813 89 00	--	Other	kg.	15%	”;	

(42) in Chapter 70,—

(i) in sub-heading Note, for the figures “7013 91”, the figures “7013 91 00” shall be substituted;

(ii) in heading 7005, in the entry in column (2) occurring against sub-heading 7005 21, for the words and brackets “mass (body tinted) opacified”, the words and brackets “mass (body tinted), opacified” shall be substituted;

(iii) in the entry in column (2) occurring against heading 7018, for the words “JEWELLERY, GLASS”, the words “JEWELLERY; GLASS” shall be substituted;

(43) in Chapter 71,—

(i) in heading 7103, for sub-heading 7103 10 and tariff items 7103 10 11 to 7103 99 90 and the entries relating thereto, the following shall be substituted, namely:—

“7103 10	-	<i>Unworked or simply sawn or roughly shaped:</i>			
	---	<i>Precious or semi-precious stones of “Beryl”</i>			
		<i>and “Chrysoberyl” mineralogical species:</i>			
7103 10 31	----	Emerald	kg.	10%	-
7103 10 32	----	Yellow/golden/pink/red/green beryl	kg.	10%	-
7103 10 33	----	Chrysoberyl (including chrysoberyl cat’s eye)	kg.	10%	-
7103 10 34	----	Alexandrite (including alexandrite cat’s eye)	kg.	10%	-
7103 10 39	----	Other	kg.	10%	-
	---	<i>Precious or semi-precious stones of “Corundum”</i>			
		<i>and “Feldspar” mineralogical species:</i>			
7103 10 41	----	Ruby	kg.	10%	-
7103 10 42	----	Sapphire	kg.	10%	-
7103 10 43	----	Moonstone	kg.	10%	-
7103 10 49	----	Other	kg.	10%	-
	---	<i>Precious or semi-precious stones of “Garnet”</i>			
		<i>and “Lazurite” mineralogical species:</i>			
7103 10 51	----	Garnet	kg.	10%	-
7103 10 52	----	Lapis-lazuli	kg.	10%	-
7103 10 59	----	Other	kg.	10%	-
	---	<i>Precious or semi-precious stones of “Prehnite”</i>			
		<i>and “Quartz” mineralogical species:</i>			
7103 10 61	----	Prehnite	kg.	10%	-
7103 10 62	----	Agate	kg.	10%	-
7103 10 63	----	Aventurine	kg.	10%	-
7103 10 64	----	Chalcedony	kg.	10%	-
7103 10 69	----	Other	kg.	10%	-
	---	<i>Precious or semi-precious stones of “Tourmaline”</i>			
		<i>and “Zoisite” mineralogical species:</i>			
7103 10 71	----	Tourmaline	kg.	10%	-
7103 10 72	----	Tanzanite	kg.	10%	-
7103 10 79	----	Other	kg.	10%	-
7103 10 90	---	Other	kg.	10%	-
	-	<i>Otherwise worked:</i>			
7103 91	--	<i>Ruby, sapphire and emeralds:</i>			
7103 91 10	---	Ruby	c/k	10%	-
7103 91 20	---	Sapphire	c/k	10%	-
7103 91 30	---	Emeralds	c/k	10%	-
7103 99	--	<i>Other:</i>			

		<i>--- Precious or semi-precious stones of “Beryl” and “Chrysoberyl” mineralogical species, other than “Emerald”:</i>				
7103 99 11	----	Yellow/golden/pink/red/green beryl	c/k	10%	-	
7103 99 12	----	Chrysoberyl (including chrysoberyl cat’s eye)	c/k	10%	-	
7103 99 13	----	Alexandrite (including alexandrite cat’s eye)	c/k	10%	-	
7103 99 19	----	Other	c/k	10%	-	
		<i>--- Precious or semi-precious stones of “Corundum” and “Feldspar” mineralogical species, other than “Ruby” and “Sapphire”:</i>				
7103 99 21	----	Moonstone	c/k	10%	-	
7103 99 29	----	Other	c/k	10%	-	
		<i>--- Precious or semi-precious stones of “Garnet” and “Lazurite” mineralogical species:</i>				
7103 99 31	----	Garnet	c/k	10%	-	
7103 99 32	----	Lapis-lazuli	c/k	10%	-	
7103 99 39	----	Other	c/k	10%	-	
		<i>--- Precious or semi-precious stones of “Prehnite” and “Quartz” mineralogical species:</i>				
7103 99 41	----	Prehnite	c/k	10%	-	
7103 99 42	----	Agate	c/k	10%	-	
7103 99 43	----	Aventurine	c/k	10%	-	
7103 99 44	----	Chalcedony	c/k	10%	-	
7103 99 49	----	Other	c/k	10%	-	
		<i>--- Precious or semi-precious stones of “Tourmaline” and “Zoisite” mineralogical species:</i>				
7103 99 51	----	Tourmaline	c/k	10%	-	
7103 99 52	----	Tanzanite	c/k	10%	-	
7103 99 59	----	Other	c/k	10%	-	
7103 99 90	---	Other	c/k	10%	-";	

(ii) in heading 7104, for tariff item 7104 20 00 and the entries relating thereto, the following shall be substituted, namely:—

“7104 20	-	<i>Other, unworked or simply sawn or roughly shaped:</i>			
7104 20 10	---	Laboratory-created or laboratory grown or manmade or cultured or synthetic diamonds	kg.	10%	-
7104 20 90	---	Other	kg.	10%	-";

(iii) in heading 7106,—

(a) for tariff item 7106 91 00 and the entries relating thereto, the following shall be substituted, namely:—

“7106 91	--	<i>Unwrought:</i>			
7106 91 10	---	Grains	kg.	12.5%	-
7106 91 90	---	Other	kg.	12.5%	-";

(b) after tariff item 7106 92 10 and the entries relating thereto, the following shall be inserted, namely:—

“7106 92 20	---	Bar	kg.	12.5%	-";
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(44) in Chapter 72, in heading 7222, for the entry in column (2) occurring after the entry against tariff item 7222 20 19, the following shall be substituted, namely:—

“--- *Other:*”;

(45) in Chapter 73, in heading 7304,—

(i) for the entry in column (2) occurring against tariff item 7304 22 00, the following shall be substituted, namely:—

“-- Drill pipe of stainless steel”;

(ii) for the entry in column (2) occurring against tariff item 7304 23 90, the following shall be substituted, namely:—

“--- *Other:*”;

(iii) for the entry in column (2) occurring after the entry against tariff item 7304 49 00, the following shall be substituted, namely:—

“- *Other, of circular cross section, of alloy steel:*”;

(46) in Chapter 74, in heading 7404,—

(i) for tariff item 7404 00 21 and the entries relating thereto, the following shall be substituted, namely:—

“7404 00 21 ---- Empty or discharged cartridges of all bores kg. 5% -”;
and sizes, including the following: clean fired
70/30 brass shells free of bullets, iron and
any other foreign material covered by
ISRI code word ‘Lake’; clean muffled
(popped) 70/30 brass shells free of bullets,
iron and any other foreign material covered
by ISRI code word ‘Lamb’ ”;

(ii) in the entry in column (2) occurring against tariff item 7404 00 22, the portion beginning with the words “manganese bronze solids” and ending with the words “code word ‘Lamb’;” shall be omitted;

(iii) for tariff item 7404 00 23 and the entries relating thereto, the following shall be substituted, namely:—

“7404 00 24 ---- Bronze scrap, including the following:manganese kg. 5% -”;
bronze solids covered ISRI code word ‘Parch’;
High lead bronze solids and borings covered by
ISRI code word ‘Elias’
7404 00 25 ---- Copper nickel scrap, including the following: kg. 5% -”;
new cupro nickel clips and solids covered by
ISRI code word ‘Dandy’; cupro nickel solids
covered by ISRI code word ‘Daunt’; soldered
cupro-nickel solids covered by ISRI code word
‘Delta’; cupro nickel spinnings, turnings,
borings covered by ISRI code word ‘Decoy’;”;

(47) in Chapter 75, in heading 7503, in the entry in column (2) occurring against tariff item 7503 00 10, the portion beginning with the words “new cupro nickel clips” and ending with the words “code word ‘Depth’;” shall be omitted;

(48) in Chapter 76, in heading 7602, in the entry in column (2) occurring against tariff item 7602 00 10,—

(i) the words and letters “Sweated aluminium covered by ISRI code word ‘Throb’;” shall be omitted;

(ii) the words and letters “Aluminium drosses, spatters, spellings, skimmings and sweepings covered by ISRI code word ‘Thirl’;” shall be omitted;

(49) in Chapter 78, in heading 7802, in the entry in column (2) occurring against tariff item 7802 00 10,—

(i) the words and letters “lead covered copper cable covered by ISRI code word ‘Relay’;” shall be omitted;

(ii) the portion beginning with the words “Lead battery plates” and ending with the words “code word ‘Rents’;” shall be omitted;

(50) in Chapter 79, in heading 7902, in the entry in column (2) occurring against tariff item 7902 00 10,—

(i) the words and letters “Zinc die cast slabs or pigs covered by ISRI code word ‘Scull’;” shall be omitted;

(ii) the portion beginning with the words “Hot dip galvanizers” and ending with the words “corrosion or ‘oxidation’;” shall be omitted;

(51) in Chapter 85,—

(i) in heading 8517,—

(a) for tariff items 8517 12 10 and 8517 12 90 and entries relating thereto, the following shall be substituted, namely:—

“--- *Telephones for cellular networks:*

8517 12 11	----	Mobile phones, other than push button type	u	20%	-
8517 12 19	----	Mobile phones, push button type	u	20%	-
8517 12 90	---	Telephones for other wireless networks	u	20%	-”;

(b) tariff item 8517 69 30 and the entries relating thereto, shall be omitted;

(ii) in heading 8525, for sub-heading 8525 60 and tariff items 8525 60 11 to 8525 60 99 and the entries relating thereto, the following shall be substituted, namely:—

“8525 60 00	-	Transmission apparatus incorporating reception apparatus	u	Free	-”;
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(iii) in heading 8527, for sub-heading 8527 99 and tariff items 8527 99 11 to 8527 99 90 and the entries relating thereto, the following shall be substituted, namely:—

“8527 99 00	--	Other	u	10%	-”;
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(52) in Chapter 90, in heading 9018, for tariff items 9018 90 29 to 9018 90 33 and the entries relating thereto, the following shall be substituted, namely:—

“9018 90 29	----	Other	u	10%	-
<i>Artificial kidney (dialysis) apparatus, blood transfusion apparatus:</i>					
9018 90 31	----	Artificial kidney (dialysis) apparatus	u	10%	-
9018 90 32	----	Blood transfusion apparatus	u	10%	-”.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

New Delhi, the 1st August, 2019

The following Act of Parliament received the assent of the President on the 1st August, 2019, and is hereby re-published for general information:—

THE RIGHT TO INFORMATION (AMENDMENT) ACT, 2019

No. 24 of 2019

An Act to amend the Right to Information Act, 2005.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

1. (1) This Act may be called the Right to Information (Amendment) Act, 2019.

Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

22 of 2005.

2. In the Right to Information Act, 2005 (hereinafter referred to as the principal Act), in section 13,—

Amendment of section 13.

(a) in sub-section (1), for the words “for a term of five years from the date on which he enters upon his office”, the words “for such term as may be prescribed by the Central Government” shall be substituted;

(b) in sub-section (2), for the words “for a term of five years from the date on which he enters upon his office”, the words “for such term as may be prescribed by the Central Government” shall be substituted;

(c) for sub-section (5), the following sub-section shall be substituted, namely:—

“(5) The salaries and allowances payable to and other terms and conditions of service of the Chief Information Commissioner and the Information Commissioners shall be such as may be prescribed by the Central Government:

Provided that the salaries, allowances and other conditions of service of the Chief Information Commissioner or the Information Commissioners shall not be varied to their disadvantage after their appointment:

Provided further that the Chief Information Commissioner and the Information Commissioners appointed before the commencement of the Right to Information (Amendment) Act, 2019 shall continue to be governed by the provisions of this Act and the rules made thereunder as if the Right to Information (Amendment) Act, 2019 had not come into force.”.

3. In section 16 of the principal Act,—

Amendment of section 16.

(a) in sub-section (1), for the words “for a term of five years from the date on which he enters upon his office”, the words “for such term as may be prescribed by the Central Government” shall be substituted;

(b) in sub-section (2), for the words “for a term of five years from the date on which he enters upon his office”, the words “for such term as may be prescribed by the Central Government” shall be substituted;

(c) for sub-section (5), the following sub-section shall be substituted, namely:—

“(5) The salaries and allowances payable to and other terms and conditions of service of the State Chief Information Commissioner and the Information Commissioners shall be such as may be prescribed by the Central Government:

Provided that the salaries, allowances and other conditions of service of the State Chief Information Commissioner and the State Information Commissioners shall not be varied to their disadvantage after their appointment:

Provided further that the State Chief Information Commissioner and the State Information Commissioners appointed before the commencement of the Right to Information (Amendment) Act, 2019 shall continue to be governed by the provisions of this Act and the rules made thereunder as if the Right to Information (Amendment) Act, 2019 had not come into force.”.

Amendment of
section 27.

4. In section 27 of the principal Act, in sub-section (2), after clause (c), the following clauses shall be inserted, namely:—

“(ca) the term of office of the Chief Information Commissioner and Information Commissioners under sub-sections (1) and (2) of section 13 and the State Chief Information Commissioner and State Information Commissioners under sub-sections (1) and (2) of section 16;

(cb) the salaries, allowances and other terms and conditions of service of the Chief Information Commissioner and the Information Commissioners under sub-section (5) of section 13 and the State Chief Information Commissioner and the State Information Commissioners under sub-section (5) of section 16;”.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

New Delhi, the 6th August, 2019

The following Act of Parliament received the assent of the President on the 5th August, 2019, and is hereby re-published for general information:—

THE PROTECTION OF CHILDREN FROM SEXUAL OFFENCES (AMENDMENT) ACT, 2019.

No. 25 of 2019

An Act further to amend the Protection of Children from Sexual Offences Act, 2012.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

1. (1) This Act may be called the Protection of Children from Sexual Offences (Amendment) Act, 2019.

Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

13 of 2012.

Amendment of section 2

2. In the Protection of Children from Sexual Offences Act, 2012 (hereinafter referred to as the principal Act), in section 2,—

(a) in sub-section (1), after clause (d), the following clause shall be inserted, namely:—

'(da) "child pornography" means any visual depiction of sexually explicit conduct involving a child which include photograph, video, digital or computer generated image indistinguishable from an actual child, and image created, adapted, or modified, but appear to depict a child;';

56 of 2000
2 of 2016

Amendment of section 4

(b) in sub-section (2), for the words, brackets and figures "the Juvenile Justice (Care and Protection of Children) Act, 2000", the words, brackets and figures "the Juvenile Justice (Care and Protection of Children) Act, 2015" shall be substituted.

3. In the principal Act, section 4 shall be renumbered as section 4(1) thereof and—

(a) in sub-section (1) as so renumbered, for the words "seven years", the words "ten years" shall be substituted;

(b) after sub-section (1), the following sub-sections shall be inserted, namely:—

"(2) Whoever commits penetrative sexual assault on a child below sixteen years of age shall be punished with imprisonment for a term which shall not be less than twenty years, but which may extend to imprisonment for life, which shall mean imprisonment for the remainder of natural life of that person, and shall also be liable to fine.

(3) The fine imposed under sub-section (1) shall be just and reasonable and paid to the victim to meet the medical expenses and rehabilitation of such victim.".

4. In section 5 of the principal Act,—

Amendment of section 5.

(I) in clause (j),—

(A) in sub-clause (i), the word "or" occurring at the end shall be omitted;

(B) in sub-clause (iii), the word "or" occurring at the end shall be omitted;

(C) after sub-clause (iii), the following sub-clause shall be inserted, namely:—

"(iv) causes death of the child; or";

(II) in clause (s), for the words "communal or sectarian violence", the words "communal or sectarian violence or during any natural calamity or in similar situations" shall be substituted.

5. For section 6 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 6.

Punishment for aggravated penetrative sexual assault

"6. (1) Whoever commits aggravated penetrative sexual assault shall be punished with rigorous imprisonment for a term which shall not be less than twenty years, but which may extend to imprisonment for life, which shall mean imprisonment for the remainder of natural life of that person, and shall also be liable to fine, or with death.

(2) The fine imposed under sub-section (1) shall be just and reasonable and paid to the victim to meet the medical expenses and rehabilitation of such victim.”.

Amendment of section 9

6. In section 9 of the principal Act,—

(i) in clause (s), for the words “communal or sectarian violence”, the words “communal or sectarian violence or during any natural calamity or in any similar situations” shall be substituted;

(ii) after clause (u), the following clause shall be inserted, namely:—

“(v) whoever persuades, induces, entices or coerces a child to get administered or administers or direct anyone to administer, help in getting administered any drug or hormone or any chemical substance, to a child with the intent that such child attains early sexual maturity;”.

Substitution of new section for section 14.

7. For section 14 of the principal Act, the following section shall be substituted, namely:—

"14. (1) Whoever uses a child or children for pornographic purposes shall be punished with imprisonment for a term which shall not be less than five years and shall also be liable to fine, and in the event of second or subsequent conviction with imprisonment for a term which shall not be less than seven years and also be liable to fine.

(2) Whoever using a child or children for pornographic purposes under sub-section (1), commits an offence referred to in section 3 or section 5 or section 7 or section 9 by directly participating in such pornographic acts, shall be punished for the said offences also under section 4, section 6, section 8 and section 10, respectively, in addition to the punishment provided in sub-section (1).”.

8. For section 15 of the principal Act, the following section shall be substituted, namely:—

"15. (1) Any person, who stores or possesses pornographic material in any form involving a child, but fails to delete or destroy or report the same to the designated authority, as may be prescribed, with an intention to share or transmit child pornography, shall be liable to fine not less than five thousand rupees, and in the event of second or subsequent offence, with fine which shall not be less than ten thousand rupees.

(2) Any person, who stores or possesses pornographic material in any form involving a child for transmitting or propagating or displaying or distributing in any manner at any time except for the purpose of reporting, as may be prescribed, or for use as evidence in court, shall be punished with imprisonment of either description which may extend to three years, or with fine, or with both.

(3) Any person, who stores or possesses pornographic material in any form involving a child for commercial purpose shall be punished on the first conviction with imprisonment of either description which shall not be less than three years which may extend to five years, or with fine, or with both, and in the event of second or subsequent conviction, with imprisonment of either description which shall not be less than five years which may extend to seven years and shall also be liable to fine.”.

Amendment of section 34

9. In section 34 of the principal Act, for the words, brackets and figures “the Juvenile Justice (Care and Protection of Children) Act, 2000”, the words, brackets and figures “the Juvenile Justice (Care and Protection of Children) Act, 2015” shall be substituted.

Amendment of section 42

10. In section 42 of the principal Act, for the figures, letter and words “376E or section 509 of the Indian Penal Code”, the figures, letters and words “376E, section 509 of the Indian Penal Code or section 67B of the Information Technology Act, 2000” shall be substituted.

11. In section 45 of the principal Act, in sub-section (2), clause (a) shall be re-lettered as clause (ab) thereof and before clause (ab) as so re-lettered, the following clauses shall be inserted, namely:—

Amendment of
section 45

“(a) the manner of deleting or destroying or reporting about pornographic material in any form involving a child to the designated authority under sub-section (1) of section 15;

(aa) the manner of reporting about pornographic material in any form involving a child under sub-section (2) of section 15;”.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

New Delhi, the 6th August, 2019

The following Act of Parliament received the assent of the President on the 5th August, 2019, and is hereby re-published for general information:—

THE INSOLVENCY AND BANKRUPTCY CODE (AMENDMENT) ACT, 2019.

NO. 26 of 2019

An Act further to amend the Insolvency and Bankruptcy Code, 2016.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

1. (1) This Act may be called the Insolvency and Bankruptcy Code (Amendment) Act, 2019.

Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

31 of 2016.

2. In section 5 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the principal Act), in clause (26), the following *Explanation* shall be inserted, namely:-

Amendment of section 5

"Explanation.—For the removal of doubts, it is hereby clarified that a resolution plan may include provisions for the restructuring of the corporate debtor, including by way of merger, amalgamation and demerger ;".

3. In section 7 of the principal Act, in sub-section (4), the following proviso shall be inserted, namely:-

Amendment of section 7.

"Provided that if the Adjudicating Authority has not ascertained the existence of default and passed an order under sub-section (5) within such time, it shall record its reasons in writing for the same.".

4. In section 12 of the principal Act, in sub-section (3), after the proviso, the following provisos shall be inserted, namely:-

Amendment of section 12.

"Provided further that the corporate insolvency resolution process shall mandatorily be completed within a period of three hundred and thirty days from the insolvency commencement date, including any extension of the period of corporate insolvency resolution process granted under this section and the time taken in legal proceedings in relation to such resolution process of the corporate debtor:

Provided also that where the insolvency resolution process of a corporate debtor is pending and has not been completed within the period referred to in the second proviso, such resolution process shall be completed within a period of ninety days from the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Act, 2019.".

5. In section 25A of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:-

Amendment of section 25A.

"(3A) Notwithstanding anything to the contrary contained in sub-section (3), the authorised representative under sub-section (6A) of section 21 shall cast his vote on behalf of all the financial creditors he represents in accordance with the decision taken by a vote of more than fifty per cent. of the voting share of the financial creditors he represents, who have cast their vote:

Provided that for a vote to be cast in respect of an application under section 12A, the authorised representative shall cast his vote in accordance with the provisions of sub-section (3).".

6. In section 30 of the principal Act,-

Amendment of section 30.

(a) in sub-section (2), for clause (b), the following shall be substituted, namely:—

"(b) provides for the payment of debts of operational creditors in such manner as may be specified by the Board which shall not be less than-

(i) the amount to be paid to such creditors in the event of a liquidation of the corporate debtor under section 53; or

(ii) the amount that would have been paid to such creditors, if the amount to be distributed under the resolution plan had been distributed in accordance with the order of priority in sub-section (1) of section 53,

whichever is higher, and provides for the payment of debts of financial creditors, who do not vote in favour of the resolution plan, in such manner as may be specified by the Board, which shall not be less than the amount to be paid to such creditors in accordance with sub-section (1) of section 53 in the event of a liquidation of the corporate debtor.

Explanation 1.-For the removal of doubts, it is hereby clarified that a distribution in accordance with the provisions of this clause shall be fair and equitable to such creditors .

Explanation 2.-For the purposes of this clause, it is hereby declared that on and from the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Act, 2019, the provisions of this clause shall also apply to the corporate insolvency resolution process of a corporate debtor-

(i) where a resolution plan has not been approved or rejected by the Adjudicating Authority;

(ii) where an appeal has been preferred under section 61 or section 62 or such an appeal is not time barred under any provision of law for the time being in force: or

(iii) where a legal proceeding has been initiated in any court against the decision of the Adjudicating Authority in respect of a resolution plan;" ;

(b) in sub-section (4), after the words "feasibility and viability," , the words, brackets and figures "the manner of distribution proposed ,which may take into account the order of priority amongst creditors as laid down in sub-section (1) of section 53, including the priority and value of the security interest of a secured creditor" shall be inserted.

7. In section 31 of the principal Act, in sub-section (1), after the words "members, creditors," , the words "including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed," shall be inserted.

8. In section 33 of the principal Act, in sub-section (2), the following *Explanation* shall be inserted, namely:-

"Explanation.—For the purposes of this sub-section, it is hereby declared that the committee of creditors may take the decision to liquidate the corporate debtor,any time after its constitution under sub-section (1) of section 21 and before the confirmation of the resolution plan, including at any time before the preparation of the information memorandum .".

9. In section 240 of the principal Act, in sub-section (2), in clause (w), for the words "repayment of debts of operational creditors", the words "payment of debts" shall be substituted.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
Additional Secretary to Government,
Law Department.

New Delhi, the 6th August, 2019

The following Act of Parliament received the assent of the President on the 6th August, 2019, and is hereby re-published for general information:—

THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA
(AMENDMENT) ACT, 2019.

NO. 27 of 2019

An Act to amend the Airports Economic Regulatory Authority of India Act, 2008.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

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| <p>1. (1) This Act may be called the Airports Economic Regulatory Authority of India (Amendment) Act, 2019.</p> <p>(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.</p> <p>2. In section 2 of the Airports Economic Regulatory Authority of India Act, 2008 (hereinafter referred to as the principal Act), in clause (i), for the words “one and a half million”, the words “three and a half million” shall be substituted.</p> <p>3. In section 13 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely:—</p> | <p>Short title and commencement.</p> <p>Amendment of section 2.</p> <p>Amendment of section 13.</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|

“(1A) Notwithstanding anything contained in sub-sections (1) and (2), the Authority shall not determine the tariff or tariff structures or the amount of development fees in respect of an airport or part thereof, if such tariff or tariff structures or the amount of development fees has been incorporated in the bidding document, which is the basis for award of operatorship of that airport:

Provided that the Authority shall be consulted in advance regarding the tariff, tariff structures or the amount of development fees which is proposed to be incorporated in the said bidding document and such tariff, tariff structures or the amount of development fees shall be notified in the Official Gazette.”.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

New Delhi, the 8th August, 2019

The following Act of Parliament received the assent of the President on the 8th August, 2019, and is hereby re-published for general information:—

THE UNLAWFUL ACTIVITIES (PREVENTION) AMENDMENT ACT 2019.

No. 28 of 2019

An Act further to amend the Unlawful Activities (Prevention) Act, 1967.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

1. (1) This Act may be called the Unlawful Activities (Prevention) Amendment Act, 2019.

Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

37 of 1967.

2. In the Unlawful Activities (Prevention) Act, 1967 (hereinafter referred to as the principal Act), in section 2, in sub-section (1),—

Amendment of section 2.

(i) in clause (d), for the word and figures "section 21", the word and figures "section 22" shall be substituted;

(ii) in clause (ha), for the words "the Schedule", the words "a Schedule" shall be substituted;

(iii) in clause (m), for the word "Schedule", the words "First Schedule" shall be substituted.

3. In section 25 of the principal Act, in sub-section (1), for the words "in which such property is situated, make an order", the words "in which such property is situated, or where the investigation is conducted by an officer of the National Investigation Agency, with the prior approval of the Director General of National Investigation Agency, make an order" shall be substituted.

Amendment of section 25.

4. In Chapter VI of the principal Act, for the Chapter heading, the following Chapter heading shall be substituted, namely:—

Amendment of heading of Chapter VI.

"TERRORIST ORGANISATIONS AND INDIVIDUALS".

5. In section 35 of the principal Act,—

Amendment of section 35.

(i) in sub-section (1),—

(A) in clause (a), after the words "First Schedule", the words "or the name of an individual in the Fourth Schedule" shall be inserted;

(B) in clause (b), after the words "United Nations", the words "or the name of an individual in the Fourth Schedule" shall be inserted;

(C) in clause (c), after the words "First Schedule", the words "or the name of an individual from the Fourth Schedule" shall be inserted;

(D) in clause (d), after the words "First Schedule", the words "or the Fourth Schedule" shall be inserted;

(ii) in sub-section (2), for the words "an organisation only if it believes that it is", the words "an organisation or an individual only if it believes that such organisation or individual is" shall be substituted;

(iii) in sub-section (3), for the words "an organisation shall be deemed to be involved in terrorism if it", the words "an organisation or an individual shall be deemed to be involved in terrorism if such organisation or individual" shall be substituted.

Amendment
of section 36.

6. In section 36 of the principal Act,—

(i) in the marginal heading, for the words "a terrorist organisation", the words "terrorist organisation or individual" shall be substituted;

(ii) in sub-section (1), for the words "an organisation from the Schedule", the words "an organisation from the First Schedule, or as the case may be, the name of an individual from the Fourth Schedule" shall be substituted;

(iii) in sub-section (2),—

(A) in clause (b), for the words "Schedule as a terrorist organisation", the words "First Schedule as a terrorist organisation, or" shall be substituted;

(B) after clause (b), the following clause shall be inserted, namely:—

"(c) any person affected by inclusion of his name in the Fourth Schedule as a terrorist.";

(iv) in sub-section (5), for the words "an organisation from the Schedule", the words "an organisation from the First Schedule or the name of an individual from the Fourth Schedule" shall be substituted;

(v) in sub-section (6), after the words "an organisation", the words "or an individual" shall be inserted;

(vi) in sub-section (7), for the word "Schedule", the words "First Schedule or the name of an individual from the Fourth Schedule" shall be substituted.

Amendment
of section 38.

7. In section 38 of the principal Act, in sub-section (1), in the proviso, in clause (b), for the word "Schedule", the words "First Schedule" shall be substituted.

Amendment
of section 43.

8. In section 43 of the principal Act,—

(i) after clause (b), the following clause shall be inserted, namely:—

"(ba) in the case of National Investigation Agency, below the rank of Inspector;";

(ii) in clause (c), after the words, brackets and letter "or clause (b)", the words, brackets and letters "or clause (ba)" shall be inserted.

Amendment
of section 45.

9. In section 45 of the principal Act, in sub-section (1), in clause (ii), for the word "where", the word "if" shall be substituted.

Amendment
of First
Schedule.

10. In the First Schedule to the principal Act, for the brackets, words, figures and letter "[See sections 2(1)(m) and 35]", the brackets, words, figures and letter "[See sections 2(1)(m), 35, 36 and 38 (1)]" shall be substituted.

Amendment
of Second
Schedule.

11. In the Second Schedule to the principal Act,—

(a) in item (v), the words "as amended from time to time" shall be inserted at the end;

(b) after item (ix), the following item shall be inserted, namely:—

"(x) International Convention for Suppression of Acts of Nuclear Terrorism (2005).".

12. After the Third Schedule to the principal Act, the following Schedule shall be added, namely:—

Addition of
Fourth
Schedule.

"THE FOURTH SCHEDULE

[See sections 35(I) and 36]

Sl. No.	Name of Individuals
	" .

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

THE CODE OF WAGES, ACT 2019
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18. Deductions which may be made from wages .
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New Delhi, the 8th August, 2019

The following Act of Parliament received the assent of the President on the 8th August, 2019, and is hereby re-published for general information:—

THE CODE OF WAGES ACT, 2019.

No. 29 of 2019

An Act to amend and consolidate the laws relating to wages and bonus and matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Code on Wages, 2019.

Short title,
extent and
commencement.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette appoint; and different dates may be appointed for different provisions of this Code and any reference in any such provision to the commencement of this Code shall be construed as a reference to the coming into force of that provision.

Definitions.

2. In this Code, unless the context otherwise requires,—

- (a) "accounting year" means the year commencing on the 1st day of April;
- (b) "Advisory Board" means the Central Advisory Board or, as the case may be, the State Advisory Board, constituted under section 42;
- (c) "agricultural income tax law" means any law for the time being in force relating to the levy of tax on agricultural income;
- (d) "appropriate Government" means,—
 - (i) in relation to, an establishment carried on by or under the authority of the Central Government or the establishment of railways, mines, oil field, major ports, air transport service, telecommunication, banking and insurance company or a corporation or other authority established by a Central Act or a central public sector undertaking or subsidiary companies set up by central public sector undertakings or autonomous bodies owned or controlled by the Central Government, including establishment of contractors for the purposes of such establishment, corporation or other authority, central public sector undertakings, subsidiary companies or autonomous bodies, as the case may be, the Central Government;
 - (ii) in relation to any other establishment, the State Government;
- (e) "company" means a company as defined in clause (20) of section 2 of the Companies Act, 2013;
- (f) "contractor", in relation to an establishment, means a person, who—
 - (i) undertakes to produce a given result for the establishment, other than a mere supply of goods or articles of manufacture to such establishment, through contract labour; or
 - (ii) supplies contract labour for any work of the establishment as mere human resource and includes a sub-contractor;
- (g) "contract labour" means a worker who shall be deemed to be employed in or in connection with the work of an establishment when he is hired in or in connection with such work by or through a contractor, with or without the knowledge of the principal employer and includes inter-State migrant worker but does not include a worker (other than part-time employee) who—
 - (i) is regularly employed by the contractor for any activity of his establishment and his employment is governed by mutually accepted standards of the conditions of employment (including engagement on permanent basis), and
 - (ii) gets periodical increment in the pay, social security coverage and other welfare benefits in accordance with the law for the time being in force in such employment;
- (h) "co-operative society" means a society registered or deemed to be registered under the Co-operative Societies Act, 1912, or any other law for the time being in force relating to co-operative societies in any State;
- (i) "corporation" means any body corporate established by or under any Central Act, or State Act, but does not include a company or a co-operative society;
- (j) "direct tax" means—
 - (i) any tax chargeable under the—
 - (A) Income-tax Act, 1961;

18 of 2013.

2 of 1912.

43 of 1961.

7 of 1964.

(B) Companies (Profits) Surtax Act, 1964;

(C) Agricultural income tax law; and

(ii) any other tax which, having regard to its nature or incidence, may be declared by the Central Government, by notification, to be a direct tax for the purposes of this Code;

52 of 1961.

(k) "employee" means, any person (other than an apprentice engaged under the Apprentices Act, 1961), employed on wages by an establishment to do any skilled, semi-skilled or unskilled, manual, operational, supervisory, managerial, administrative, technical or clerical work for hire or reward, whether the terms of employment be express or implied, and also includes a person declared to be an employee by the appropriate Government, but does not include any member of the Armed Forces of the Union;

63 of 1948.

(l) "employer" means a person who employs, whether directly or through any person, or on his behalf or on behalf of any person, one or more employees in his establishment and where the establishment is carried on by any department of the Central Government or the State Government, the authority specified, by the head of such department, in this behalf or where no authority, is so specified the head of the department and in relation to an establishment carried on by a local authority, the chief executive of that authority, and includes,—

(i) in relation to an establishment which is a factory, the occupier of the factory as defined in clause (n) of section 2 of the Factories Act, 1948 and, where a person has been named as a manager of the factory under clause (f) of sub-section (1) of section 7 of the said Act, the person so named;

(ii) in relation to any other establishment, the person who, or the authority which, has ultimate control over the affairs of the establishment and where the said affairs is entrusted to a manager or managing director, such manager or managing director;

(iii) contractor; and

(iv) legal representative of a deceased employer;

(m) "establishment" means any place where any industry, trade, business, manufacture or occupation is carried on and includes Government establishment;

63 of 1948.

(n) "factory" means a factory as defined in clause (m) of section 2 of the Factories Act, 1948;

(o) "Government establishment" means any office or department of the Government or a local authority;

43 of 1961.

(p) "Income-tax Act" means the Income -tax Act, 1961;

(q) "industrial dispute" means,—

(i) any dispute or difference between employers and employers, or between employers and workers or between workers and workers which is connected with the employment or non-employment or the terms of employment or with the conditions of labour, of any person; and

(ii) any dispute or difference between an individual worker and an employer connected with, or arising out of, discharge, dismissal, retrenchment or termination of such worker;

(r) "Inspector-cum-Facilitator" means a person appointed by the appropriate Government under sub-section (1) of section 51;

(s) "minimum wage" means the wage fixed under section 6;

(t) "notification" means a notification published in the Gazette of India or in the Official Gazette of a State, as the case may be, and the expression "notify" with its grammatical variations and cognate expressions shall be construed accordingly;

(u) "prescribed" means prescribed by rules made by the appropriate Government;

(v) "same work or work of a similar nature" means work in respect of which the skill, effort, experience and responsibility required are the same, when performed under similar working conditions by employees and the difference if any, between the skill, effort, experience and responsibility required for employees of any gender, are not of practical importance in relation to the terms and conditions of employment;

(w) "State" includes a Union territory;

(x) "Tribunal" shall have the same meaning as assigned to it in clause (r) of section 2 of the Industrial Disputes Act, 1947;

14 of 1947.

(y) "wages" means all remuneration whether by way of salaries, allowances or otherwise, expressed in terms of money or capable of being so expressed which would, if the terms of employment, express or implied, were fulfilled, be payable to a person employed in respect of his employment or of work done in such employment, and includes,—

42 of 2005.

- (i) basic pay;
- (ii) dearness allowance; and
- (iii) retaining allowance, if any,

but does not include—

(a) any bonus payable under any law for the time being in force, which does not form part of the remuneration payable under the terms of employment;

(b) the value of any house-accommodation, or of the supply of light, water, medical attendance or other amenity or of any service excluded from the computation of wages by a general or special order of the appropriate Government;

(c) any contribution paid by the employer to any pension or provident fund, and the interest which may have accrued thereon;

(d) any conveyance allowance or the value of any travelling concession;

(e) any sum paid to the employed person to defray special expenses entailed on him by the nature of his employment;

(f) house rent allowance;

(g) remuneration payable under any award or settlement between the parties or order of a court or Tribunal;

(h) any overtime allowance;

(i) any commission payable to the employee;

(j) any gratuity payable on the termination of employment;

(k) any retrenchment compensation or other retirement benefit payable to the employee or any *ex gratia* payment made to him on the termination of employment:

Provided that, for calculating the wages under this clause, if payments made by the employer to the employee under clauses (a) to (i) exceeds one-half, or such other per cent. as may be notified by the Central Government, of the all remuneration calculated under this clause, the amount which exceeds such

one-half, or the per cent. so notified, shall be deemed as remuneration and shall be accordingly added in wages under this clause:

Provided further that for the purpose of equal wages to all genders and for the purpose of payment of wages, the emoluments specified in clauses (d), (f), (g) and (h) shall be taken for computation of wage.

Explanation.—Where an employee is given in lieu of the whole or part of the wages payable to him, any remuneration in kind by his employer, the value of such remuneration in kind which does not exceed fifteen per cent. of the total wages payable to him, shall be deemed to form part of the wages of such employee;

(z) "worker" means any person (except an apprentice as defined under clause (aa) of section 2 of the Apprentices Act, 1961) employed in any industry to do any manual, unskilled, skilled, technical, operational, clerical or supervisory work for hire or reward, whether the terms of employment be express or implied, and includes—

52 of 1961. (i) working journalists as defined in clause (f) of section 2 of the Working Journalists and other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955; and

45 of 1955. (ii) sales promotion employees as defined in clause (d) of section 2 of the Sales Promotion Employees (Conditions of Service) Act, 1976, and for the purposes of any proceeding under this Code in relation to an industrial dispute, includes any such person who has been dismissed, discharged or retrenched or otherwise terminated in connection with, or as a consequence of, that dispute, or whose dismissal, discharge or retrenchment has led to that dispute,

11 of 1976. but does not include any such person—

45 of 1950. (a) who is subject to the Air Force Act, 1950, or the Army Act, 1950, or the
46 of 1950. Navy Act, 1957; or
62 of 1957.

(b) who is employed in the police service or as an officer or other employee of a prison; or

(c) who is employed mainly in a managerial or administrative capacity; or

(d) who is employed in a supervisory capacity drawing wage of exceeding fifteen thousand rupees per month or an amount as may be notified by the Central Government from time to time.

3. (1) There shall be no discrimination in an establishment or any unit thereof among employees on the ground of gender in matters relating to wages by the same employer, in respect of the same work or work of a similar nature done by any employee.

Prohibition of discrimination on ground of gender.

(2) No employer shall,—

(i) for the purposes of complying with the provisions of sub-section (1), reduce the rate of wages of any employee; and

(ii) make any discrimination on the ground of sex while recruiting any employee for the same work or work of similar nature and in the conditions of employment, except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

4. Where there is any dispute as to whether a work is of same or similar nature for the purposes of section 3, the dispute shall be decided by such authority as may be notified by the appropriate Government.

Decision as to disputes with regard to same or similar nature of work.

CHAPTER II

MINIMUM WAGES

Payment of minimum rate of wages.

5. No employer shall pay to any employee wages less than the minimum rate of wages notified by the appropriate Government.

Fixation of minimum wages.

6. (1) Subject to the provisions of section 9, the appropriate Government shall fix the minimum rate of wages payable to employees in accordance with the provisions of section 8.

(2) For the purposes of sub-section (1), the appropriate Government shall fix a minimum rate of wages—

- (a) for time work; or
- (b) for piece work.

(3) Where employees are employed on piece work, for the purpose of sub-section (1), the appropriate Government shall fix a minimum rate of wages for securing such employees a minimum rate of wages on a time work basis.

(4) The minimum rate of wages on time work basis may be fixed in accordance with any one or more of the following wage periods, namely:—

- (i) by the hour; or
- (ii) by the day; or
- (iii) by the month.

(5) Where the rates of wages are fixed by the hour or by the day or by the month, the manner of calculating the wages shall be such, as may be prescribed.

(6) For the purpose of fixation of minimum rate of wages under this section, the appropriate Government,—

(a) shall primarily take into account the skill of workers required for working under the categories of unskilled, skilled, semi-skilled and highly-skilled or geographical area or both; and

(b) may, in addition to such minimum rate of wages for certain category of workers, take into account their arduousness of work like temperature or humidity normally difficult to bear, hazardous occupations or processes or underground work as may be prescribed by that Government; and

(c) the norms of such fixation of minimum rate of wages shall be such as may be prescribed.

(7) The number of minimum rates of wages referred to in sub-section (6) may, as far as possible, be kept at minimum by the appropriate Government.

Components of minimum wages.

7. (1) Any minimum rate of wages fixed or revised by the appropriate Government under section 8 may consist of—

(a) a basic rate of wages and an allowance at a rate to be adjusted, at such intervals and in such manner as the appropriate Government may direct, to accord as nearly as practicable with the variation in the cost of living index number applicable to such workers (hereinafter referred to as "cost of living allowance"); or

(b) a basic rate of wages with or without the cost of living allowance, and the cash value of the concessions in respect of supplies of essential commodities at concession rates, where so authorised; or

(c) an all-inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any.

(2) The cost of living allowance and the cash value of the concessions in respect of supplies of essential commodities at concession rate shall be computed by such authority, as the appropriate Government may by notification, appoint, at such intervals and in accordance with such directions as may be specified or given by the appropriate Government from time to time.

8.(1) In fixing minimum rates of wages for the first time or in revising minimum rates of wages under this Code, the appropriate Government shall either—

(a) appoint as many committees as it considers necessary to hold enquiries and recommend in respect of such fixation or revision, as the case may be; or

(b) by notification publish its proposals for the information of persons likely to be affected thereby and specify a date not less than two months from the date of the notification on which the proposals shall be taken into consideration.

(2) Every committee appointed by the appropriate Government under clause (a) of sub-section (1) shall consist of persons—

(a) representing employers;

(b) representing employees which shall be equal in number of the members specified in clause (a); and

(c) independent persons, not exceeding one-third of the total members of the committee.

(3) After considering the recommendation of the committee appointed under clause (a) of sub-section (1) or, as the case may be, all representations received by it before the date specified in the notification under clause (b) of that sub-section, the appropriate Government shall by notification fix, or as the case may be, revise the minimum rates of wages and unless such notification otherwise provides, it shall come into force on the expiry of three months from the date of its issue:

Provided that where the appropriate Government proposes to revise the minimum rates of wages in the manner specified in clause (b) of sub-section (1), it shall also consult concerned Advisory Board constituted under section 42.

(4) The appropriate Government shall review or revise minimum rates of wages ordinarily not exceeding five years.

9.(1) The Central Government shall fix floor wage taking into account minimum living standards of a worker in such manner as may be prescribed:

Provided that different floor wage may be fixed for different geographical areas.

(2) The minimum rates of wages fixed by the appropriate Government under section 6 shall not be less than the floor wage and if the minimum rates of wages fixed by the appropriate Government earlier is more than the floor wage, then, the appropriate Government shall not reduce such minimum rates of wages fixed by it earlier.

(3) The Central Government may, before fixing the floor wage under sub-section (1), obtain the advice of the Central Advisory Board constituted under sub-section (1) of section 42 and consult State Governments in such manner as may be prescribed.

10. If an employee whose minimum rate of wages has been fixed under this Code by the day works on any day on which he was employed for a period of less than the requisite number of hours constituting a normal working day, he shall, save as otherwise hereinafter provided, be entitled to receive wages in respect of work done on that day, as if he had worked for a full normal working day:

Provided that he shall not be entitled to receive wages for a full normal working day,—

(i) in any case where his failure to work is caused by his unwillingness to work and not by the omission of the employer to provide him with work; and

Procedure for fixing and revising minimum wages.

Power of Central Government to fix floor wage.

Wages of employee who works for less than normal working day.

Wages for two or more classes of work.

(ii) in such other cases and circumstances, as may be prescribed.

11. Where an employee does two or more classes of work to each of which a different minimum rate of wages is applicable, the employer shall pay to such employee in respect of the time respectively occupied in each such class of work, wages at not less than the minimum rate in force in respect of each such class.

12. Where a person is employed on piece work for which minimum time rate and not a minimum piece rate has been fixed under this Code, the employer shall pay to such person wages at not less than the minimum time rate.

13. (I) Where the minimum rates of wages have been fixed under this Code, the appropriate Government may—

(a) fix the number of hours of work which shall constitute a normal working day inclusive of one or more specified intervals;

(b) provide for a day of rest in every period of seven days which shall be allowed to all employees or to any specified class of employees and for the payment of remuneration in respect of such days of rest;

(c) provide for payment for work on a day of rest at a rate not less than the overtime rate.

(2) The provisions of sub-section (I) shall, in relation to the following classes of employees apply, only to such extent and subject to such conditions as may be prescribed, namely:—

(a) employees engaged in any emergency which could not have been foreseen or prevented;

(b) employees engaged in work of the nature of preparatory or complementary work which must necessarily be carried on outside the limits laid down for the general working in the employment concerned;

(c) employees whose employment is essentially intermittent;

(d) employees engaged in any work which for technical reasons has to be completed before the duty is over; and

(e) employees engaged in a work which could not be carried on except at times dependent on the irregular action of natural forces.

(3) For the purposes of clause (c) of sub-section (2), employment of an employee is essentially intermittent when it is declared to be so by the appropriate Government on the ground that the daily hours of duty of the employee, or if there be no daily hours of duty as such for the employee, the hours of duty normally include periods of inaction during which the employee may be on duty but is not called upon to display either physical activity or sustained attention.

14. Where an employee whose minimum rate of wages has been fixed under this Code by the hour, by the day or by such a longer wage-period as may be prescribed, works on any day in excess of the number of hours constituting a normal working day, the employer shall pay him for every hour or for part of an hour so worked in excess, at the overtime rate which shall not be less than twice the normal rate of wages.

CHAPTER III

PAYMENT OF WAGES

15. All wages shall be paid in current coin or currency notes or by cheque or by crediting the wages in the bank account of the employee or by the electronic mode:

Wages for overtime work.

Mode of payment of wages.

Provided that the appropriate Government may, by notification, specify the industrial or other establishment, the employer of which shall pay to every person employed in such industrial or other establishment, the wages only by cheque or by crediting the wages in his bank account.

16. The employer shall fix the wage period for employees either as daily or weekly or fortnightly or monthly subject to the condition that no wage period in respect of any employee shall be more than a month:

Fixation of wage period.

Provided that different wage periods may be fixed for different establishments.

17. (1) The employer shall pay or cause to be paid wages to the employees, engaged on—

Time limit for payment of wages.

(i) daily basis, at the end of the shift;

(ii) weekly basis, on the last working day of the week, that is to say, before the weekly holiday;

(iii) fortnightly basis, before the end of the second day after the end of the fortnight;

(iv) monthly basis, before the expiry of the seventh day of the succeeding month.

(2) Where an employee has been—

(i) removed or dismissed from service; or

(ii) retrenched or has resigned from service, or became unemployed due to closure of the establishment,

the wages payable to him shall be paid within two working days of his removal, dismissal, retrenchment or, as the case may be, his resignation.

(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), the appropriate Government may, provide any other time limit for payment of wages where it considers reasonable having regard to the circumstances under which the wages are to be paid.

(4) Nothing contained in sub-section (1) or sub-section (2) shall affect any time limit for payment of wages provided in any other law for the time being in force.

18. (1) Notwithstanding anything contained in any other law for the time being in force, there shall be no deductions from the wages of the employee, except those as are authorised under this Code.

Deductions which may be made from wages.

*Explanation.—*For the purposes of this sub-section,—

(a) any payment made by an employee to the employer or his agent shall be deemed to be a deduction from his wages;

(b) any loss of wages to an employee, for a good and sufficient cause, resulting from—

(i) the withholding of increment or promotion, including the stoppage of an increment; or

(ii) the reduction to a lower post or time-scale; or

(iii) the suspension,

shall not be deemed to be a deduction from wages in a case where the provisions made by the employer for such purposes are satisfying the requirements specified in the notification issued by the appropriate Government in this behalf.

(2) Deductions from the wages of an employee shall be made in accordance with the provisions of this Code, and may be made only for the following purposes, namely:—

(a) fines imposed on him;

(b) deductions for his absence from duty;

(c) deductions for damage to or loss of goods expressly entrusted to the employee for custody; or for loss of money for which he is required to account, where such damage or loss is directly attributable to his neglect or default;

(d) deductions for house-accommodation supplied by the employer or by appropriate Government or any housing board set up under any law for the time being in force, whether the Government or such board is the employer or not, or any other authority engaged in the business of subsidising house-accommodation which may be specified in this behalf by the appropriate Government by notification;

(e) deductions for such amenities and services supplied by the employer as the appropriate Government or any officer specified by it in this behalf may, by general or special order, authorise and such deduction shall not exceed an amount equivalent to the value of such amenities and services.

Explanation.—For the purposes of this clause, the expression "services" does not include the supply of tools and raw materials required for the purposes of employment;

(f) deductions for recovery of—

(i) advances of whatever nature (including advances for travelling allowance or conveyance allowance), and the interest due in respect thereof, or for adjustment of overpayment of wages;

(ii) loans made from any fund constituted for the welfare of labour, as may be prescribed by the appropriate Government, and the interest due in respect thereof;

(g) deductions for recovery of loans granted for house-building or other purposes approved by the appropriate Government and the interest due in respect thereof;

(h) deductions of income-tax or any other statutory levy levied by the Central Government or State Government and payable by the employee or deductions required to be made by order of a court or other authority competent to make such order;

(i) deductions for subscription to, and for repayment of advances from any social security fund or scheme constituted by law including provident fund or pension fund or health insurance scheme or fund known by any other name;

(j) deductions for payment of co-operative society subject to such conditions as the appropriate Government may impose;

(k) deductions made, with the written authorisation of the employee, for payment of the fees and contribution payable by him for the membership of any Trade Union registered under the Trade Unions Act, 1926;

(l) deductions for recovery of losses sustained by the railway administration on account of acceptance by the employee of counterfeit or base coins or mutilated or forged currency notes;

(m) deductions for recovery of losses sustained by the railway administration on account of the failure of the employee to invoice, to bill, to collect or to account for the appropriate charges due to the railway administration whether in respect of fares, freight, demurrage, wharfage and craneage or in respect of sale of food in catering establishments or in respect of commodities in grain shops or otherwise;

(n) deductions for recovery of losses sustained by the railway administration on account of any rebates or refunds incorrectly granted by the employee where such loss is directly attributable to his neglect or default;

(o) deductions, made with the written authorisation of the employee, for contribution to the Prime Minister's National Relief Fund or to such other fund as the Central Government may, by notification, specify.

(3) Notwithstanding anything contained in this Code and subject to the provisions of any other law for the time being in force, the total amount of deductions which may be made under sub-section (2) in any wage period from the wages of an employee shall not exceed fifty per cent. of such wages.

(4) Where the total deductions authorised under sub-section (2) exceed fifty per cent. of the wages, the excess may be recovered in such manner, as may be prescribed.

(5) Where any deduction is made by the employer from the wages of an employee under this section but not deposited in the account of the trust or Government fund or any other account, as required under the provisions of the law for the time being in force, such employee shall not be held responsible for such default of the employer.

19. (1) No fine shall be imposed on any employee save in respect of those acts and omissions on his part as the employer, with the previous approval of the appropriate Government or of such authority as may be prescribed, may have specified by notice under sub-section (2).

Fines.

(2) A notice specifying such acts and omissions shall be exhibited in such manner as may be prescribed, on the premises in which the employment is carried on.

(3) No fine shall be imposed on any employee until such employee has been given an opportunity of showing cause against the fine or otherwise than in accordance with such procedure as may be prescribed for the imposition of fines.

(4) The total amount of fine which may be imposed in any one wage-period on any employee shall not exceed an amount equal to three per cent. of the wages payable to him in respect of that wage-period.

(5) No fine shall be imposed on any employee who is under the age of fifteen years.

(6) No fine imposed on any employee shall be recovered from him by instalments or after the expiry of ninety days from the day on which it was imposed.

(7) Every fine shall be deemed to have been imposed on the day of the act or omission in respect of which it was imposed.

(8) All fines and all realisations thereof shall be recorded in a register to be kept in such manner and form as may be prescribed; and all such realisations shall be applied only to such purposes beneficial to the persons employed in the establishment as are approved by the prescribed authority.

20. (1) Deductions may be made under clause (b) of sub-section (2) of section 18 only on account of the absence of an employee from the place or places where by the terms of his employment, he is required to work, such absence being for the whole or any part of the period during which he is so required to work.

Deductions for absence from duty.

(2) The amount of such deduction shall in no case bear to the wages payable to the employed person in respect of the wage-period for which the deduction is made in a larger proportion than the period for which he was absent bears to the total period within such wage-period during which by the terms of his employment he was required to work:

Provided that, subject to any rules made in this behalf by the appropriate Government, if ten or more employed persons acting in concert absent themselves without due notice (that is to say without giving the notice which is required under the terms of their contracts

of employment) and without reasonable cause, such deduction from any such person may include such amount not exceeding his wages for eight days as may by any such terms be due to the employer in lieu of due notice.

Explanation.—For the purposes of this section, an employee shall be deemed to be absent from the place where he is required to work if, although present in such place, he refuses, in pursuance of a stay-in strike or for any other cause which is not reasonable in the circumstances, to carry out his work.

Deductions for damage or loss.

21. (1) A deduction under clause (c) or clause (n) of sub-section (2) of section 18 for damage or loss shall not exceed the amount of the damage or loss caused to the employer by negligence or default of the employee.

(2) A deduction shall not be made under sub-section (1) until the employee has been given an opportunity of showing cause against the deduction or otherwise than in accordance with such procedure as may be prescribed for the making of such deductions.

(3) All such deductions and all realisations thereof shall be recorded in a register to be kept in such form as may be prescribed.

Deductions for services rendered.

22. A deduction under clause (d) or clause (e) of sub-section (2) of section 18 shall not be made from the wages of an employee, unless the house-accommodation amenity or service has been accepted by him as a term of employment or otherwise and such deduction shall not exceed an amount equivalent to the value of the house-accommodation amenity or service supplied and shall be subject to such conditions as the appropriate Government may impose.

Deductions for recovery of advances.

23. Deductions under clause (f) of sub-section (2) of section 18 for recovery of advances given to an employee shall be subject to the following conditions, namely:—

(a) recovery of advance of money given to an employee before the employment began shall be made from the first payment of wages to him in respect of a complete wage-period but no recovery shall be made of such advances given for travelling expenses;

(b) recovery of advance of money given to an employee after the employment began shall be subject to such conditions as may be prescribed;

(c) recovery of advances of wages to an employee not already earned shall be subject to such conditions as may be prescribed.

Deductions for recovery of loans.

24. Deductions under clause (g) of sub-section (2) of section 18 for recovery of loans granted to an employee, regulating the extent to which such loans may be granted and the rate of interest payable thereon, shall be such as may be prescribed.

Chapter not to apply to Government establishments.

25. The provisions of this Chapter shall not apply to the Government establishments unless the appropriate Government, by notification, applies such provisions to the Government establishments specified in the said notification.

CHAPTER IV

PAYMENT OF BONUS

Eligibility for bonus, etc.

26. (1) There shall be paid to every employee, drawing wages not exceeding such amount per mensem, as determined by notification, by the appropriate Government, by his employer, who has put in at least thirty days work in an accounting year, an annual minimum bonus calculated at the rate of eight and one-third per cent. of the wages earned by the employee or one hundred rupees, whichever is higher whether or not the employer has any allocable surplus during the previous accounting year.

(2) For the purpose of calculation of the bonus where the wages of the employee exceeds such amount per mensem, as determined by notification by the appropriate Government, the bonus payable to such employee under sub-sections (1) and (3) shall be

calculated as if his wage were such amount, so determined by the appropriate Government or the minimum wage fixed by the appropriate Government, whichever is higher.

(3) Where in respect of any accounting year referred to in sub-section (1), the allocable surplus exceeds the amount of minimum bonus payable to the employees under that sub-section, the employer shall, in lieu of such minimum bonus, be bound to pay to every employee in respect of that accounting year, bonus which shall be an amount in proportion to the wages earned by the employee during the accounting year, subject to a maximum of twenty per cent. of such wages.

(4) In computing the allocable surplus under this section, the amount set on or the amount set off under the provisions of section 36 shall be taken into account in accordance with the provisions of that section.

(5) Any demand for bonus in excess of the bonus referred to in sub-section (1), either on the basis of production or productivity in an accounting year for which the bonus is payable shall be determined by an agreement or settlement between the employer and the employees, subject to the condition that the total bonus including the annual minimum bonus referred to in sub-section (1) shall not exceed twenty per cent. of the wages earned by the employee in the accounting year.

(6) In the first five accounting years following the accounting year in which the employer sells the goods produced or manufactured by him or renders services, as the case may be, from such establishment, bonus shall be payable only in respect of the accounting year in which the employer derives profit from such establishment and such bonus shall be calculated in accordance with the provisions of this Code in relation to that year, but without applying the provisions of section 36.

(7) For the sixth and seventh accounting years following the accounting year in which the employer sells the goods produced or manufactured by him or renders services, as the case may be, from such establishment, the provisions of section 36 shall apply subject to the following modifications, namely:—

(i) for the sixth accounting year set on or set off, as the case may be, shall be made, in the manner as may be prescribed by the Central Government, taking into account the excess or deficiency, if any, as the case may be, of the allocable surplus set on or set off in respect of the fifth and sixth accounting years;

(ii) for the seventh accounting year set on or set off, as the case may be, shall be made, in the manner as may be prescribed by the Central Government, taking into account the excess or deficiency, if any, as the case may be, of the allocable surplus set on or set off in respect of the fifth, sixth and seventh accounting years.

(8) From the eighth accounting year following the accounting year in which the employer sells the goods produced or manufactured by him or renders services, as the case may be, from such establishment, the provisions of section 36 shall apply in relation to such establishment as they apply in relation to any other establishment.

Explanation 1.—For the purpose of sub-section (6), an employer shall not be deemed to have derived profit in any accounting year, unless—

(a) he has made provision for depreciation of that year to which he is entitled under the Income-tax Act or, as the case may be, under the agricultural income tax law; and

(b) the arrears of such depreciation and losses incurred by him in respect of the establishment for the previous accounting years have been fully set off against his profits.

Explanation 2.—For the purposes of sub-sections (6), (7) and (8), sale of the goods produced or manufactured during the course of the trial running of any factory or of the

prospecting stage of any mine or an oil-field shall not be taken into consideration and where any question arises with regard to such production or manufacture, the appropriate Government may, after giving the parties a reasonable opportunity of representing the case, decide upon the issue.

(9) The provisions of sub-sections (6), (7) and (8) shall, so far as may be, apply to new departments or undertakings or branches set up by existing establishments.

Proportionate reduction in bonus in certain cases.

27. Where an employee has not worked for all the working days in an accounting year, the minimum bonus under sub-section (1) of section 26, if such bonus is higher than eight and one third per cent. of the salary or wage of the days such employee has worked in that accounting year, shall be proportionately reduced.

Computation of number of working days.

28. For the purposes of section 27, an employee shall be deemed to have worked in an establishment in any accounting year also on the days on which,—

(a) he has been laid off under an agreement or as permitted by standing orders under the Industrial Employment (Standing Orders) Act, 1946, or under the Industrial Disputes Act, 1947, or under any other law applicable to the establishment;

20 of 1946.
14 of 1947.

(b) he has been on leave with salary or wages;

(c) he has been absent due to temporary disablement caused by accident arising out of and in the course of his employment; and

(d) the employee has been on maternity leave with salary or wages, during the accounting year.

Disqualification for bonus.

29. Notwithstanding anything contained in this Code, an employee shall be disqualified from receiving bonus under this Code, if he is dismissed from service for—

(a) fraud; or

(b) riotous or violent behaviour while on the premises of the establishment; or

(c) theft, misappropriation or sabotage of any property of the establishment; or

(d) conviction for sexual harassment.

Establishments to include departments, undertakings and branches.

30. Where an establishment consists of different departments or undertakings or has branches, whether situated in the same place or in different places, all such departments or undertakings or branches shall be treated as parts of the same establishment for the purpose of computation of bonus under this Code:

Provided that where for any accounting year a separate balance sheet and profit and loss account are prepared and maintained in respect of any such department or undertaking or branch, then, such department or undertaking or branch shall be treated as a separate establishment for the purpose of computation of bonus, under this Code for that year, unless such department or undertaking or branch was, immediately before the commencement of that accounting year treated as part of the establishment for the purpose of computation of bonus.

Payment of bonus out of allocable surplus.

31. (1) The bonus shall be paid out of the allocable surplus which shall be an amount equal to sixty per cent. in case of a banking company and sixty-seven per cent. in case of other establishment, of the available surplus and the available surplus shall be the amount calculated in accordance with section 33.

(2) Audited accounts of companies shall not normally be questioned.

(3) Where there is any dispute regarding the quantum of bonus, the authority notified by the appropriate Government having jurisdiction may call upon the employer to produce the balance sheet before it, but the authority shall not disclose any information contained in the balance sheet unless agreed to by the employer.

32. The gross profits derived by an employer from an establishment in respect of the accounting year shall,—

Computation
of gross
profits.

(a) in the case of a banking company, be calculated in the manner as may be prescribed by the Central Government;

(b) in any other case, be calculated in the manner as may be prescribed by the Central Government.

33. The available surplus in respect of any accounting year shall be the gross profits for that year after deducting therefrom the sums referred to in section 34:

Computation
of available
surplus.

Provided that the available surplus in respect of the accounting year commencing on any day in a year after the commencement of this Code and in respect of every subsequent accounting year shall be the aggregate of—

(a) the gross profits for that accounting year after deducting therefrom the sums referred to in section 34; and

(b) an amount equal to the difference between—

(i) the direct tax, calculated in accordance with the provisions of section 35, in respect of an amount equal to the gross profits of the employer for the immediately preceding accounting year; and

(ii) the direct tax, calculated in accordance with provisions of section 35, in respect of an amount equal to the gross profits of the employer for such preceding accounting year after deducting therefrom the amount of bonus which the employer has paid or is liable to pay to his employees in accordance with the provisions of this Code for that year.

34. The following sums shall be deducted from the gross profits as prior charges, namely:—

Sums deductible
from gross
profits.

(a) any amount by way of depreciation admissible in accordance with the provisions of sub-section (1) of section 32 of the Income-tax Act or in accordance with the provisions of the agricultural income-tax law, for the time being in force, as the case may be;

(b) subject to the provisions of section 35, any direct tax which the employer is liable to pay for the accounting year in respect of his income, profits and gains during that year;

(c) such further sums in respect of the employer as may be prescribed by the Central Government.

35. For the purposes of this Code, any direct tax payable by the employer for any accounting year shall, subject to the following provisions, be calculated at the rates applicable to the income of the employer for that year, namely:—

Calculation of
direct tax
payable by
employer.

(a) in calculating such tax no account shall be taken of,—

(i) any loss incurred by the employer in respect of any previous accounting year and carried forward under any law for the time being in force relating to direct taxes;

(ii) any arrears of depreciation which the employer is entitled to add to the amount of the allowance for depreciation for any succeeding accounting year or years under sub-section (2) of section 32 of the Income-tax Act;

(b) where the employer is a religious or a charitable institution to which the provisions of section 41 do not apply and the whole or any part of its income is exempt from the tax under the Income-tax Act, then, with respect to the income so

exempted, such institution shall be treated as if it were a company in which the public are substantially interested within the meaning of that Act;

(c) where the employer is an individual or a Hindu undivided family, the tax payable by such employer under the Income-tax Act shall be calculated on the basis that the income derived by him from the establishment is his only income;

(d) where the income of any employer includes any profits and gains derived from the export of any goods or merchandise out of India and any rebate on such income is allowed under any law for the time being in force relating to direct taxes, then, no account shall be taken of such rebate;

(e) no account shall be taken of any rebate other than development rebate or investment allowance or development allowance or credit or relief or deduction (not hereinbefore mentioned in this section) in the payment of any direct tax allowed under any law for the time being in force relating to direct taxes or under the relevant annual Finance Act, for the development of any industry.

Set on and set off of allocable surplus.

36. (1) Where for any accounting year, the allocable surplus exceeds the amount of maximum bonus payable to the employees in the establishment under section 26, then, the excess shall, subject to a limit of twenty per cent. of the total salary or wage of the employees employed in the establishment in that accounting year, be carried forward for being set on in the succeeding accounting year and so on up to and inclusive of the fourth accounting year to be utilised for the purpose of payment of bonus in such manner as may be prescribed by the Central Government.

(2) Where for any accounting year, there is no available surplus or the allocable surplus in respect of that year falls short of the amount of minimum bonus payable to the employees in the establishment under section 26, and there is no amount or sufficient amount carried forward and set on under sub-section (1) which could be utilised for the purpose of payment of the minimum bonus, then, such minimum amount or the deficiency, as the case may be, shall be carried forward for being set off in the succeeding accounting year and so on up to and inclusive of the fourth accounting year in such manner as may be prescribed by the Central Government.

(3) The principle of set on and set off as may be provided in rules by the Central Government under this Code shall apply to all other cases not covered by sub-section (1) or sub-section (2) for the purpose of payment of bonus under this Code.

(4) Where in any accounting year any amount has been carried forward and set on or set off under this section, then, in calculating bonus for the succeeding accounting year, the amount of set on or set off carried forward from the earliest accounting year shall first be taken into account.

Adjustment of customary or interim bonus against bonus payable under this Code.

37. Where in any accounting year,—

(a) an employer has paid any puja bonus or other customary bonus to employee; or

(b) an employer has paid a part of the bonus payable under this Code to an employee before the date on which such bonus becomes payable,

then, the employer shall be entitled to deduct the amount of bonus so paid from the amount of bonus payable by him to the employee under this Code in respect of that accounting year and the employee shall be entitled to receive only the balance.

Deduction of certain amounts from bonus payable.

38. Where in any accounting year, an employee is found guilty of misconduct causing financial loss to the employer, then, it shall be lawful for the employer to deduct the amount of loss from the amount of bonus payable by him to the employee under this Code in respect of that accounting year only and the employee shall be entitled to receive the balance, if any.

39. (1) All amounts payable to an employee by way of bonus under this Code shall be paid by crediting it in the bank account of the employee by his employer within a period of eight months from the close of the accounting year;

Time limit for payment of bonus.

Provided that the appropriate Government or such authority as the appropriate Government may specify in this behalf may, upon an application made to it by the employer and for sufficient reasons, by order, extend the said period of eight months to such further period or periods as it thinks fit; so, however, that the total period so extended shall not in any case exceed two years.

(2) Notwithstanding anything contained in sub-section (1), where there is a dispute regarding payment of bonus pending before any authority, such bonus shall be paid, within a period of one month from the date on which the award becomes enforceable or the settlement comes into operation, in respect of such dispute:

Provided that if, there is a dispute for payment at the higher rate, the employer shall pay eight and one-third per cent. of the wages earned by the employee as per the provisions of this Code within a period of eight months from the close of the accounting year.

40. (1) If in any accounting year an establishment in public sector sells any goods produced or manufactured by it or renders any services, in competition with an establishment in private sector, and the income from such sale or services or both, is not less than twenty per cent. of the gross income of the establishment in public sector for that year, then, the provisions of this Chapter shall apply in relation to such establishment in public sector as they apply in relation to a like establishment in private sector.

Application of this Chapter to establishments in public sector in certain cases.

(2) Save as otherwise provided in sub-section (1), nothing in this Chapter shall apply to the employees employed by any establishment in public sector.

41. (1) Nothing in this Chapter shall apply to—

Non-applicability of this Chapter.

(a) employees employed by the Life Insurance Corporation of India;

(b) seamen as defined in clause (42) of section 3 of the Merchant Shipping Act, 1958;

(c) employees registered or listed under any scheme made under the Dock Workers (Regulation of Employment) Act, 1948, and employed by registered or listed employers;

(d) employees employed by an establishment under the authority of any department of the Central Government or a State Government or a local authority;

(e) employees employed by—

(i) the Indian Red Cross Society or any other institution of a like nature including its branches;

(ii) universities and other educational institutions;

(iii) institutions including hospitals, chamber of commerce and social welfare institutions established not for purposes of profit;

(f) employees employed by the Reserve Bank of India;

(g) employees employed by public sector financial institution other than a banking company, which the Central Government may, by notification, specify, having regard to—

(i) its capital structure;

(ii) its objectives and the nature of its activities;

(iii) the nature and extent of financial assistance or any concession given to it by the Government; and

(iv) any other relevant factor;

44 of 1958.

9 of 1948.

(h) employees employed by inland water transport establishments operating on routes passing through any other country; and

(i) employees of any other establishment which the appropriate Government may, by notification, exempt having regard to the overall benefits under any other scheme of profit sharing available in such establishments to the employees.

(2) Subject to the provisions of sub-section (1) and notwithstanding anything contained in any other provisions of this Chapter, the provisions of this Chapter shall apply to such establishment in which twenty or more persons are employed or were employed on any day during an accounting year.

CHAPTER V

ADVISORY BOARD

Central
Advisory
Board and
State Advisory
Boards.

42. (1) The Central Government shall constitute the Central Advisory Board which shall consist of persons to be nominated by the Central Government—

(a) representing employers;

(b) representing employees which shall be equal in number of the members specified in clause (a);

(c) independent persons, not exceeding one-third of the total members of the Board; and

(d) five representatives of such State Governments as may be nominated by the Central Government.

(2) One-third of the members referred to in sub-section (1) shall be women and a member specified in clause (c) of the said sub-section shall be appointed by the Central Government as the Chairperson of the Board.

(3) The Central Advisory Board constituted under sub-section (1) shall from time to time advise the Central Government on reference of issues relating to—

(a) fixation or revision of minimum wages and other connected matters;

(b) providing increasing employment opportunities for women;

(c) the extent to which women may be employed in such establishments or employments as the Central Government may, by notification, specify in this behalf; and

(d) any other matter relating to this Code,

and on such advice, the Central Government may issue directions to the State Government as it deems fit in respect of matters relating to issues referred to the Board.

(4) Every State Government shall constitute a State Advisory Board for advising the State Government—

(a) in fixation or revision of minimum wages and other connected matters;

(b) for the purpose of providing increasing employment opportunities for women;

(c) with regard to the extent to which women may be employed in such establishments or employments as the State Government may, by notification, specify in this behalf; and

(d) in any other matter relating to this Code, which the State Government may refer from time to time to the Board.

(5) The State Advisory Board may constitute one or more committees or sub-committees to look into issues pertaining to matters specified in clauses (a) to (d) of sub-section (4).

(6) The State Advisory Board and each of the committees and sub- committees thereof shall consist of persons—

(a) representing employers;

(b) representing employees which shall be equal in number of the members specified in clause (a); and

(c) independent persons, not exceeding one-third of the total members of the Board or committee or sub-committee, as the case may be.

(7) One-third of the members referred to in sub-section (6) shall be women and one among the members specified in clause (c) of the said sub-section shall be—

(a) appointed by the State Government as the Chairperson of the Board;

(b) appointed by the State Advisory Board as the Chairperson of the committee or sub-committee, as the case may be.

(8) In tendering its advice in the matters specified in clause (b) or clause (c) of sub-section (4), the State Advisory Board shall have regard to the number of women employed in the concerned establishment, or employment, the nature of work, hours of work, suitability of women for employment, as the case may be, the need for providing increasing employment opportunities for women, including part time employment, and such other relevant factors as the Board may think fit.

(9) The State Government may, after considering the advice tendered to it by the State Advisory Board and after inviting and considering the representations from establishment or employees or any other person which that Government thinks fit, issue such direction as may be deemed necessary.

(10) The Central Advisory Board referred to in sub-section (1) and the State Advisory Board referred to in sub-section (4) shall respectively regulate their own procedure including that of the committees and sub-committees constituted by the State Advisory Board, in such manner as may be prescribed.

(11) The terms of office of the Central Advisory Board referred to in sub-section (1) and the State Advisory Board referred to in sub-section (4) including that of the committees and sub-committees constituted by the State Advisory Board, shall be such as may be prescribed.

CHAPTER VI

PAYMENT OF DUES, CLAIMS AND AUDIT

43. Every employer shall pay all amounts required to be paid under this Code to every employee employed by him:

Responsibility for payment of various dues.

Provided that where such employer fails to make such payment in accordance with this Code, then, the company or firm or association or any other person who is the proprietor of the establishment, in which the employee is employed, shall be responsible for such payment.

9 of 1932.

Explanation.—For the purposes of this section the expression "firm" shall have the same meaning as assigned to it in the Indian Partnership Act, 1932.

44. (1) Subject to the other provisions of this Code, all amounts payable to an employee under this Code shall, if such amounts could not or cannot be paid on account of his death before payment or on account of his whereabouts not being known,—

Payment of various undisbursed dues in case of death of employee.

(a) be paid to the person nominated by him in this behalf in accordance with the rules made under this Code; or

(b) where no such nomination has been made or where for any reasons such amounts cannot be paid to the person so nominated, be deposited with the such authority, as may be prescribed, who shall deal with the amounts so deposited in the manner as may be prescribed.

(2) Where in accordance with the provisions of sub-section (1), all amounts payable to an employee under this Code—

(a) are paid by the employer to the person nominated by the employee; or

(b) are deposited by the employer with the authority referred to in clause (b) of sub-section (1),

then, the employer shall be discharged of his liability to pay those amounts.

Claims under
Code and
procedure
thereof.

45. (1) The appropriate Government may, by notification, appoint one or more authorities, not below the rank of a Gazetted Officer, to hear and determine the claims which arises under the provisions of this Code.

(2) The authority appointed under sub-section (1), while deciding the claim under that sub-section, may order, having regard to the circumstances under which the claim arises, the payment of compensation in addition to the claim determined, which may extend to ten times of the claim determined and endeavour shall be made by the authority to decide the claim within a period of three months.

(3) If an employer fails to pay the claim determined and compensation ordered to be paid under sub-section (2), the authority shall issue a certificate of recovery to the Collector or District Magistrate of the district where the establishment is located who shall recover the same as arrears of land revenue and remit the same to the authority for payment to the concerned employee.

(4) Any application before the authority for claim referred to in sub-section (1) may be filed by,—

(a) the employee concerned; or

(b) any Trade Union registered under the Trade Unions Act, 1926 of which the employee is a member; or

(c) the Inspector-cum-Facilitator.

(5) Subject to such rules as may be made, a single application may be filed under this section on behalf or in respect of any number of employees employed in an establishment.

(6) The application under sub-section (4) may be filed within a period of three years from the date on which claims referred to in sub-section (1) arises:

Provided that the authority referred to in sub-section (1) may, entertain the application after three years on sufficient cause being shown by the applicant for such delay.

(7) The authority appointed under sub-section (1) and the appellate authority appointed under sub-section (1) of section 49, shall have all the powers of a civil court under the Code of Civil Procedure, 1908, for the purpose of taking evidence and of enforcing the attendance of witnesses and compelling the production of documents, and every such authority or appellate authority shall be deemed to be a civil court for all the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973.

Reference of
disputes under
this Code.

46. Notwithstanding anything contained in this Code, where any dispute arises between an employer and his employees with respect to—

(a) fixation of bonus or eligibility for payment of bonus under the provisions of this Code; or

16 of 1926.

5 of 1908.

2 of 1974.

(b) the application of this Code, in respect of bonus, to an establishment in public sector,

then, such dispute shall be deemed to be an industrial dispute within the meaning of the Industrial Disputes Act, 1947.

14 of 1947.

47. (1) Where, during the course of proceedings before—

- (a) the authority under section 45; or
- (b) the appellate authority under section 49; or
- (c) a Tribunal; or
- (d) an arbitrator referred to in clause (aa) of section 2 of the Industrial Disputes

14 of 1947.

Act, 1947,

Presumption about accuracy of balance sheet and profit and loss account of corporations and companies.

in respect of any dispute of the nature specified in sections 45 and 46 or in respect of an appeal under section 49, the balance sheet and the profit and loss account of an employer, being a corporation or a company (other than a banking company), duly audited by the Comptroller and Auditor-General of India or by auditors duly qualified to act as auditors of companies under section 141 of the Companies Act, 2013, are produced before it, then, the said authority, appellate authority, Tribunal or arbitrator, as the case may be, may presume the statements and particulars contained in such balance sheet and profit and loss account to be accurate and it shall not be necessary for the corporation or the company to prove the accuracy of such statements and particulars by the filing of an affidavit or by any other mode:

Provided that where the said authority, appellate authority, Tribunal or arbitrator, as the case may be, is satisfied that the statements and particulars contained in the balance sheet or the profit and loss account of the corporation or the company are not accurate, it may take such steps as it thinks necessary to find out the accuracy of such statements and particulars.

(2) When an application is made to the authority, appellate authority, Tribunal or arbitrator, as the case may be, referred to in sub-section (1), by any Trade Union being a party to the dispute or as the case may be, an appeal, and where there is no Trade Union, by the employees being a party to the dispute, or as the case may be, an appeal, requiring any clarification relating to any item in the balance sheet or the profit and loss account, then such authority, appellate authority, Tribunal or arbitrator, may, after satisfying itself that such clarification is necessary, by order, direct the corporation or, as the case may be, the company, to furnish to the Trade Union or the employees such clarification within such time as may be specified in the direction and the corporation or, as the case may be, the company, shall comply with such direction.

48. (1) Where any claim, dispute or appeal with respect to bonus payable under this Code between an employer, not being a corporation or a company, and his employees is pending before any authority, appellate authority, Tribunal or arbitrator, as the case may be, as referred to in sub-section (1) of section 47 and the accounts of such employer audited by any auditor duly qualified to act as auditor of companies under the provisions of section 141 of the Companies Act, 2013, are produced before such authority, appellate authority, Tribunal or arbitrator, then the provisions of section 47 shall, so far as may be, apply to the accounts so audited.

(2) When the authority, appellate authority, Tribunal or arbitrator, referred to in sub-section (1), as the case may be, finds that the accounts of such employer have not been audited by any such auditor and it is of opinion that an audit of the accounts of such employer is necessary for deciding the question referred to it, then, such authority, appellate authority, Tribunal or arbitrator, may, by order, direct the employer to get his accounts audited within such time as may be specified in the direction or within such further time as it may allow by such auditor or auditors as it thinks fit and thereupon the employer shall comply with such direction.

18 of 2013.

Audit of account of employers not being corporations or companies.

(3) Where an employer fails to get the accounts audited under sub-section (2), the authority, appellate authority, Tribunal or arbitrator, referred to in sub-section (1), as the case may be, may, without prejudice to the provisions of section 54, get the accounts audited by such auditor or auditors as it thinks fit.

(4) When the accounts are audited under sub-section (2) or sub-section (3), the provisions of section 47 shall, so far as may be, apply to the accounts so audited.

(5) The expenses of, and incidental to, any audit under sub-section (3) including the remuneration of the auditor or auditors shall be determined by the authority, appellate authority, Tribunal or arbitrator, referred to in sub-section (1), as the case may be, and paid by the employer and in default of such payment shall be recoverable by the authority referred to in sub-section (3) of section 45 from the employer in the manner provided in that sub-section.

Appeal.

49. (1) Any person aggrieved by an order passed by the authority under sub-section (2) of section 45 may prefer an appeal, to the appellate authority having jurisdiction appointed by the appropriate Government, by notification, for such purpose, within ninety days from the date of such order, in such form and manner as may be prescribed:

Provided that the appellate authority may entertain the appeal after ninety days if it satisfied that the delay in filing the appeal has occurred due to sufficient cause.

(2) The appellate authority shall be appointed from the officers of the appropriate Government holding the post at least one rank higher than the authority referred under sub-section (1) of section 45.

(3) The appellate authority shall, after hearing the parties in the appeal, dispose of the appeal and endeavour shall be made to dispose of the appeal within a period of three months.

(4) The outstanding dues under the orders of the appellate authority shall be recovered by the authority referred to in section 45, by issuing the certificate of recovery in the manner specified in sub-section (3) of that section.

**Records,
returns and
notices.**

50. (1) Every employer of an establishment to which this Code applies shall maintain a register containing the details with regard to persons employed, muster roll, wages and such other details in such manner as may be prescribed.

(2) Every employer shall display a notice on the notice board at a prominent place of the establishment containing the abstract of this Code, category-wise wage rates of employees, wage period, day or date and time of payment of wages, and the name and address of the Inspector-cum-Facilitator having jurisdiction.

(3) Every employer shall issue wage slips to the employees in such form and manner as may be prescribed.

(4) The provisions of sub-sections (1) to (3) shall not apply in respect of the employer to the extent he employs not more than five persons for agriculture or domestic purpose:

Provided that such employer, when demanded, shall produce before the Inspector-cum-Facilitator, the reasonable proof of the payment of wages to the persons so employed.

Explanation.—For the purposes of this sub-section, the expression "domestic purpose" means the purpose exclusively relating to the home or family affairs of the employer and does not include any affair relating to any establishment, industry, trade, business, manufacture or occupation.

CHAPTER VII

INSPECTOR-CUM-FACILITATOR

51. (1) The appropriate Government may, by notification, appoint Inspector-cum-Facilitators for the purposes of this Code who shall exercise the powers conferred on them under sub-section (4) throughout the State or such geographical limits assigned in relation to one or more establishments situated in such State or geographical limits or in one or more establishments, irrespective of geographical limits, assigned to him by the appropriate Government, as the case may be.

Appointment
of Inspector-
cum-
Facilitators
and their
powers.

(2) The appropriate Government may, by notification, lay down an inspection scheme which may also provide for generation of a web-based inspection and calling of information relating to the inspection under this Code electronically.

(3) Without prejudice to the provisions of sub-section (2), the appropriate Government may, by notification, confer such jurisdiction of randomised selection of inspection for the purposes of this Code to the Inspector-cum-Facilitator as may be specified in such notification.

(4) Every Inspector-cum-Facilitator appointed under sub-section (1) shall be deemed to be public servant within the meaning of section 21 of the Indian Penal Code.

45 of 1860. (5) The Inspector-cum-Facilitator may—

(a) advice to employers and workers relating to compliance with the provisions of this Code;

(b) inspect the establishments as assigned to him by the appropriate Government,

subject to the instructions or guidelines issued by the appropriate Government from time to time.

(6) Subject to the provisions of sub-section (4), the Inspector-cum-Facilitator may,—

(a) examine any person who is found in any premises of the establishment, whom the Inspector-cum-Facilitator has reasonable cause to believe, is a worker of the establishment;

(b) require any person to give any information, which is in his power to give with respect to the names and addresses of the persons;

(c) search, seize or take copies of such register, record of wages or notices or portions thereof as the Inspector-cum-Facilitator may consider relevant in respect of an offence under this Code and which the Inspector-cum-Facilitator has reason to believe has been committed by the employer;

(d) bring to the notice of the appropriate Government defects or abuses not covered by any law for the time being in force; and

(e) exercise such other powers as may be prescribed.

45 of 1860.

(7) Any person required to produce any document or to give any information required by a Inspector-cum-Facilitator under sub-section (5) shall be deemed to be legally bound to do so within the meaning of section 175 and section 176 of the Indian Penal Code.

2 of 1974.

(8) The provisions of the Code of Criminal Procedure, 1973 shall, so far as may be, apply to the search or seizure under sub-section (5) as they apply to the search or seizure made under the authority of a warrant issued under section 94 of the said Code.

CHAPTER VIII

OFFENCES AND PENALTIES

Cognizance of offences.

52. (1) No court shall take cognizance of any offence punishable under this Code, save on a complaint made by or under the authority of the appropriate Government or an officer authorised in this behalf, or by an employee or a registered Trade Union registered under the Trade Unions Act, 1926 or an Inspector-cum-Facilitator.

16 of 1926.

(2) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, no court inferior to that of a Metropolitan Magistrate or Judicial Magistrate of the first class shall try the offences under this Code.

2 of 1974.

Power of officers of appropriate Government to impose penalty in certain cases.

53. (1) Notwithstanding anything contained in section 52, for the purpose of imposing penalty under clauses (a) and (c) of sub-section (1) and sub-section (2) of section 54 and sub-section (7) of section 56, the appropriate Government may appoint any officer not below the rank of Under Secretary to the Government of India or an officer of equivalent rank in the State Government, as the case may be, for holding enquiry in such manner, as may be prescribed by the Central Government.

(2) While holding the enquiry, the officer referred to in sub-section (1) shall have the power to summon and enforce attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document, which in the opinion of such officer, may be useful for or relevant to the subject matter of the enquiry and if, on such enquiry, he is satisfied that the person has committed any offence under the provisions referred to in sub-section (1), he may impose such penalty as he thinks fit in accordance with such provisions.

Penalties for offences.

54. (1) Any employer who—

(a) pays to any employee less than the amount due to such employee under the provisions of this Code shall be punishable with fine which may extend to fifty thousand rupees;

(b) having been convicted of an offence under clause (a) is again found guilty of similar offence under this clause, within five years from the date of the commission of the first or subsequent offence, he shall, on the second and the subsequent commission of the offence, be punishable with imprisonment for a term which may extend to three months or with fine which may extend to one lakh rupees, or with both;

(c) contravenes any other provision of this Code or any rule made or order made or issued thereunder shall be punishable with fine which may extend to twenty thousand rupees;

(d) having been convicted of an offence under clause (c) is again found guilty of similar offence under this clause, within five years from the date of the commission of the first or subsequent offence, he shall, on the second and the subsequent commission of the offence under this clause, be punishable with imprisonment for a term which may extend to one month or with fine which may extend to forty thousand rupees, or with both.

(2) Notwithstanding anything contained in sub-section (1), for the offences of non-maintenance or improper maintenance of records in the establishment, the employer shall be punishable with fine which may extend to ten thousand rupees.

(3) Notwithstanding anything contained in clause (c) of sub-section (1) or sub-section (2), the Inspector-cum-Facilitator shall, before initiation of prosecution proceeding for the offences under the said clause or sub-section, give an opportunity to the employer to comply with the provisions of this Code by way of a written direction, which shall lay down a time period for such compliance, and, if the employer complies with

the direction within such period, the Inspector-cum-Facilitator shall not initiate such prosecution proceeding and, no such opportunity shall be accorded to an employer, if the violation of the same nature of the provisions under this Code is repeated within a period of five years from the date on which such first violation was committed and in such case the prosecution shall be initiated in accordance with the provisions of this Code.

55. (1) If the person committing an offence under this Code is a company, every person who, at the time the offence was committed was in charge of, and was responsible to the company for the conduct of business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Offences by companies.

Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Code has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.—*For the purposes of this section,—

(a) "company" means anybody corporate and includes—

(i) a firm; or

(ii) a limited liability partnership registered under the Limited Liability Partnership Act, 2008; or

(iii) other association of individuals; and

(b) "director" in relation to a firm means a partner in the firm.

6 of 2009.

2 of 1974.

Composition of offences.

56. (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, any offence punishable under this Code, not being an offence punishable with imprisonment only, or with imprisonment and also with fine, may, on an application of the accused person, either before or after the institution of any prosecution, be compounded by a Gazetted Officer, as the appropriate Government may, by notification, specify, for a sum of fifty per cent. of the maximum fine provided for such offence, in the manner as may be prescribed.

(2) Nothing contained in sub-section (1) shall apply to an offence committed by a person for the second time or thereafter within a period of five years from the date—(i) of commission of a similar offence which was earlier compounded; (ii) of commission of similar offence for which such person was earlier convicted.

(3) Every officer referred to in sub-section (1) shall exercise the powers to compound an offence, subject to the direction, control and supervision of the appropriate Government.

(4) Every application for the compounding of an offence shall be made in such manner as may be prescribed.

(5) Where any offence is compounded before the institution of any prosecution, no prosecution shall be instituted in relation to such offence, against the offender in relation to whom the offence is so compounded.

(6) Where the composition of any offence is made after the institution of any prosecution, such composition shall be brought by the officer referred to in sub-section (1) in writing, to the notice of the court in which the prosecution is pending and on such notice of the composition of the offence being given, the person against whom the offence is so compounded shall be discharged.

(7) Any person who fails to comply with an order made by the officer referred to in sub-section (1), shall be punishable with a sum equivalent to twenty per cent. of the maximum fine provided for the offence, in addition to such fine.

(8) No offence punishable under the provisions of this Code shall be compounded except under and in accordance with the provisions of this section.

CHAPTER IX

MISCELLANEOUS

Bar of suits.

57. No court shall entertain any suit for the recovery of minimum wages, any deduction from wages, discrimination in wages and payment of bonus, in so far as the sum so claimed—

- (a) forms the subject of claims under section 45;
- (b) has formed the subject of a direction under this Code;
- (c) has been adjudged in any proceeding under this Code;
- (d) could have been recovered under this Code.

Protection of action taken in good faith.

58. No suit, prosecution or any other legal proceeding shall lie against the appropriate Government or any officer of that Government for anything which is in good faith done or intended to be done under this Code.

Burden of proof.

59. Where a claim has been filed on account of non-payment of remuneration or bonus or less payment of wages or bonus or on account of making deductions not authorised by this Code from the wages of an employee, the burden to prove that the said dues have been paid shall be on the employer.

Contracting out.

60. Any contract or agreement whereby an employee relinquishes the right to any amount or the right to bonus due to him under this Code shall be null and void in so far as it purports to remove or reduce the liability of any person to pay such amount under this Code.

Effect of laws agreements, etc., inconsistent with this Code.

61. The provisions of this Code shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in the terms of any award, agreement, settlement or contract of service.

Delegation of powers.

62. The appropriate Government may, by notification, direct that any power exercisable by it under this Code shall, in relation to such matters and subject to such conditions, if any, as may be specified in the notification, be also exercisable—

- (a) where the appropriate Government is the Central Government, by such officer or authority subordinate to the Central Government or by the State Government or by such officer or authority subordinate to the State Government, as may be specified in the notification;
- (b) where the appropriate Government is a State Government, by such officer or authority subordinate to the State Government as may be specified in the notification.

Exemption of employer from liability in certain cases.

63. Where an employer is charged with an offence under this Code, he shall be entitled upon complaint duly made by him, to have any other person whom he charges as the actual offender, brought before the court at the time appointed for hearing the charge; and if, after the commission of the offence has been proved, the employer proves to the satisfaction of the court—

- (a) that he has used due diligence to enforce the execution of this Code; and
- (b) that the said other person committed the offence in question without his knowledge, consent or connivance,

that other person shall be convicted of the offence and shall be liable to the like punishment as if he were the employer and the employer shall be discharged from any liability under this Code in respect of such offence:

Provided that in seeking to prove, as aforesaid, the employer may be examined on oath, and the evidence of the employer or his witness, if any, shall be subject to cross-examination by or on behalf of the person whom the employer charges as the actual offender and by the prosecution.

64. Any amount deposited with the appropriate Government by an employer to secure the due performance of a contract with that Government and any other amount due to such employer from that Government in respect of such contract shall not be liable to attachment under any decree or order of any court in respect of any debt or liability incurred by the employer other than any debt or liability incurred by the employer towards any employee employed in connection with the contract aforesaid.

Protection against attachments of assets of employer with Government.

65. The Central Government may, for carrying into execution of the provisions of this Code in the State give directions to the State Government, and the State Government shall abide by such directions.

Power of Central Government to give directions.

66. Nothing contained in this Code shall be deemed to affect the provisions of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 and the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948, or of any scheme made thereunder.

Saving.

42 of 2005.
46 of 1948.

67. (1) The appropriate Government may, subject to the condition of previous publication, make rules for carrying out the provisions of this Code.

Power of appropriate Government to make rules.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the manner of calculating the wages under sub-section (4) of section 6;

(b) the arduousness of work to be taken into account in addition to minimum rate of wages for certain category of workers under clause (b) of sub-section (6) of section 6;

(c) the norms under clause (c) of sub-section (6) of section 6;

(d) the cases and circumstances in which an employee employed for a period of less than the requisite number of hours shall not be entitled to receive wages for a full normal working day, under section 10;

(e) the extent and conditions, which shall apply in relation to certain classes of employees under sub-section (2) of section 13;

(f) the longer wage period for fixation of minimum rate of wages as referred to in section 14;

(g) the manner of deducting loans made from any fund constituted for the welfare of labour under sub-clause (ii) of clause (f) of sub-section (2) of section 18;

(h) the manner of recovery of excess of amount under sub-section (4) of section 18;

(i) the authority to provide approval for imposition of fine under sub-section (1) of section 19;

(j) the manner of exhibition of the acts and omissions to be specified in the notice under sub-section (2) of section 19;

(k) the procedure for the imposition of fines under sub-section (3) of section 19;

(l) the form of the register to record all fines and all realisations thereof under sub-section (8) of section 19;

(m) the procedure for making deductions for absence from duty under sub-section (2) of section 20;

- (n) the procedure for making deductions for damage or loss under sub-section (2) of section 21;
- (o) the form of the register to record all deductions and all realisations thereof under sub-section (3) of section 21;
- (p) conditions for recovery of advance of money given to an employee after the employment began under clause (b) of section 23;
- (q) conditions for recovery of advances of wages to an employee not already earned under clause (c) of section 23;
- (r) deductions for recovery of loans and the rate of interest payable thereon under section 24;
- (s) the manner of regulating the procedure by the Central Advisory Board and the State Advisory Board, including that of the committees and sub-committees constituted by the State Advisory Board, under sub-section (10) of section 42;
- (t) the terms of office of members of the Central Advisory Board, the State Advisory Board, including that of the committees and sub-committees constituted by the State Advisory Board, under sub-section (11) of section 42;
- (u) the authority and manner of depositing with such authority, various undisbursed dues under clause (b) of sub-section (1) of section 44;
- (v) the form of single application in respect of a number of employees under sub-section (5) of section 45;
- (w) the form for making an appeal to the appellate authority under sub-section (1) of section 49;
- (x) the manner of maintenance of a register by the employer under sub-section (1) of section 50;
- (y) the form and manner of issuing wage slips under sub-section (3) of section 50;
- (z) the other powers to be exercised by the Inspector-cum-Facilitator under sub-section (5) of section 51;
- (za) the manner of imposing fine under sub-section (1) of section 56;
- (zb) the manner of composition of offence by a Gazetted Officer specified under sub-section (4) of section 56;
- (zc) any other matter which is required to be, or may be, prescribed under the provisions of this Code.
- (3) The Central Government may, subject to the condition of previous publication, make rules for,—
- (a) the manner of fixing floor wage under sub-section (1) of section 9;
- (b) the manner of consultation with State Government under sub-section (3) of section 9;
- (c) the manner of making set on or set off for the sixth accounting year under clause (i) of sub-section (7) of section 26;
- (d) the manner of making set on or set off for the seventh accounting year under clause (ii) of sub-section (7) of section 26;
- (e) the manner of calculating gross profit under clauses (a) and (b) of section 32;
- (f) such further sums in respect of employer under clause (c) of section 34;
- (g) the manner of utilising the excess of allocable surplus to be carried forward for being set on in the succeeding accounting year and so on up to and inclusive of the fourth accounting year under sub-section (1) of section 36;
- (h) the manner of utilising the minimum amount or the deficiency to be carried forward for being set off in the succeeding accounting year and so on up to and inclusive of the fourth accounting year under sub-section (2) of section 36; and

(i) the manner of holding an enquiry under sub-section (1) of section 53.

(4) Every rule made by the Central Government under this section shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions as aforesaid, both Houses agree in making any modification in the rule or both Houses agree that rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or amendment shall be without prejudice to the validity of anything previously done under that rule.

(5) Every rule made by the State Government under this section shall, as soon as possible after it is made, be laid before the State Legislature.

68. (1) If any difficulty arises in giving effect to the provisions of this Code, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Code, as may appear to be necessary for removing the difficulty:

Power to remove difficulties.

Provided that no such order shall be made under this section after the expiry of a period of three years from the commencement of this Code.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

69. (1) The Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 are hereby repealed.

Repeal and savings.

(2) Notwithstanding such repeal, anything done or any action taken under the enactments so repealed including any notification, nomination, appointment, order or direction made thereunder or any amount of wages provided in any provision of such enactments for any purpose shall be deemed to have been done or taken or provided for such purpose under the corresponding provisions of this Code and shall be in force to the extent they are not contrary to the provisions of this Code till they are repealed under the corresponding provisions of this Code or by the notification to that effect by the Central Government.

4 of 1936.
11 of 1948.
21 of 1965.
25 of 1976.

10 of 1897.

(3) Without prejudice to the provisions of sub-section (2), the provisions of section 6 of the General Clauses Act, 1897 shall apply to the repeal of such enactments.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

New Delhi, the 8th August, 2019

The following Act of Parliament received the assent of the President on the 8th August, 2019, and is hereby re-published for general information:—

THE NATIONAL MEDICAL COMMISSION ACT, 2019.

NO. 30 OF 2019

An Act to provide for a medical education system that improves access to quality and affordable medical education, ensures availability of adequate and high quality medical professionals in all parts of the country; that promotes equitable and universal healthcare that encourages community health perspective and makes services of medical professionals accessible to all the citizens; that promotes national health goals; that encourages medical professionals to adopt latest medical research in their work and to contribute to research; that has an objective periodic and transparent assessment of medical institutions and facilitates maintenance of a medical register for India and enforces high ethical standards in all aspects of medical services; that is flexible to adapt to changing needs and has an effective grievance redressal mechanism and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

CHAPTER I
PRELIMINARY

1. (1) This Act may be called the National Medical Commission Act, 2019.

Short title,
extent and
commencement.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

Definitions.

2. In this Act, unless the context otherwise requires,—
- (a) "Autonomous Board" means any of the Autonomous Boards constituted under section 16;
 - (b) "Chairperson" means the Chairperson of the National Medical Commission appointed under section 5;
 - (c) "Commission" means the National Medical Commission constituted under section 3;
 - (d) "Council" means the Medical Advisory Council constituted under section 11;
 - (e) "Ethics and Medical Registration Board" means the Board constituted under section 16;
 - (f) "health University" means a University specialised in affiliating institutions engaged in teaching medicine, medical and health sciences and includes a medical University and University of health sciences;
 - (g) "licence" means a licence to practice medicine granted under sub-section (I) of section 33;
 - (h) "Medical Assessment and Rating Board" means the Board constituted under section 16;
 - (i) "medical institution" means any institution within or outside India which grants degrees, diplomas or licences in medicine and include affiliated colleges and deemed to be Universities;
 - (j) "medicine" means modern scientific medicine in all its branches and includes surgery and obstetrics, but does not include veterinary medicine and surgery;
 - (k) "Member" means a Member of the Commission appointed under section 5 and includes the Chairperson thereof;
 - (l) "National Board of Examination" means the body registered as such under the Societies Registration Act, 1860 which grants broad-speciality and super-speciality qualifications referred to in the Schedule;
 - (m) "National Register" means a National Medical Register maintained by the Ethics and Medical Registration Board under section 31;
 - (n) "notification" means notification published in the Official Gazette and the expression "notify" shall be construed accordingly;
 - (o) "Post-Graduate Medical Education Board" means the Board constituted under section 16;
 - (p) "prescribed" means prescribed by rules made under this Act;
 - (q) "President" means the President of an Autonomous Board appointed under section 18;
 - (r) "recognised medical qualification" means a medical qualification recognised under section 35 or section 36 or section 37 or section 40, as the case may be;
 - (s) "regulations" means the regulations made by the Commission under this Act;

21 of 1860.

(t) "Schedule" means the Schedule to this Act;

(u) "State Medical Council" means a medical council constituted under any law for the time being in force in any State or Union territory for regulating the practice and registration of practitioners of medicine in that State or Union territory;

(v) "State Register" means a register maintained under any law for the time being in force in any State or Union territory for registration of practitioners of medicine;

(w) "Under-Grauate Medical Education Board" means the Board constituted under section 16;

(x) "University" shall have the same meaning as assigned to it in clause (f) of section 2 of the University Grants Commission Act, 1956 and includes a health University.

3 of 1956.

CHAPTER II

THE NATIONAL MEDICAL COMMISSION

3. (1) The Central Government shall constitute a Commission, to be known as the National Medical Commission, to exercise the powers conferred upon, and to perform the functions assigned to it, under this Act.

Constitution
of National
Medical
Commission.

(2) The Commission shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall, by the said name, sue or be sued.

(3) The head office of the Commission shall be at New Delhi.

4. (1) The Commission shall consist of the following persons to be appointed by the Central Government, namely:—

Composition
of
Commission.

- (a) a Chairperson;
- (b) ten *ex officio* Members; and
- (c) twenty-two part-time Members.

(2) The Chairperson shall be a medical professional of outstanding ability, proven administrative capacity and integrity, possessing a postgraduate degree in any discipline of medical sciences from any University and having experience of not less than twenty years in the field of medical sciences, out of which at least ten years shall be as a leader in the area of medical education.

(3) The following persons shall be the *ex officio* Members of the Commission, namely:—

- (a) the President of the Under-Grauate Medical Education Board;
- (b) the President of the Post-Graduate Medical Education Board;
- (c) the President of the Medical Assessment and Rating Board;
- (d) the President of the Ethics and Medical Registration Board;
- (e) the Director General of Health Services, Directorate General of Health Services, New Delhi;
- (f) the Director General, Indian Council of Medical Research;
- (g) a Director of any of the All India Institutes of Medical Sciences, to be nominated by the Central Government;

(h) two persons from amongst the Directors of Postgraduate Institute of Medical Education and Research, Chandigarh; Jawaharlal Institute of Postgraduate Medical Education and Research, Puducherry; Tata Memorial Hospital, Mumbai; North Eastern Indira Gandhi Regional Institute of Health and Medical Sciences, Shillong; and All India Institute of Hygiene and Public Health, Kolkata; to be nominated by the Central Government; and

(i) one person to represent the Ministry of the Central Government dealing with Health and Family Welfare, not below the rank of Additional Secretary to the Government of India, to be nominated by that Ministry.

(4) The following persons shall be appointed as part-time Members of the Commission, namely:—

(a) three Members to be appointed from amongst persons of ability, integrity and standing, who have special knowledge and professional experience in such areas including management, law, medical ethics, health research, consumer or patient rights advocacy, science and technology and economics;

(b) ten Members to be appointed on rotational basis from amongst the nominees of the States and Union territories, under clauses (c) and (d) of sub-section (2) of section 11, in the Medical Advisory Council for a term of two years in such manner as may be prescribed;

(c) nine members to be appointed from amongst the nominees of the States and Union territories, under clause (e) of sub-section (2) of section 11, in the Medical Advisory Council for a term of two years in such manner as may be prescribed.

Explanation.—For the purposes of this section and section 17, the term "leader" means the Head of a Department or the Head of an organisation.

5. (1) The Central Government shall appoint the Chairperson, part-time Members referred to in clause (a) of sub-section (4) of section 4 and the Secretary referred to in section 8 on the recommendation of a Search Committee consisting of—

(a) the Cabinet Secretary—Chairperson;

(b) three experts, possessing outstanding qualifications and experience of not less than twenty-five years in the field of medical education, public health education and health research, to be nominated by the Central Government—Members;

(c) one expert, from amongst the part-time Members referred to in clause (c) of sub-section (4) of section 4, to be nominated by the Central Government in such manner as may be prescribed—Member;

(d) one person, possessing outstanding qualifications and experience of not less than twenty-five years in the field of management or law or economics or science and technology, to be nominated by the Central Government—Member; and

(e) the Secretary to the Government of India in charge of the Ministry of Health and Family Welfare, to be the Convenor—Member.

(2) The Central Government shall, within one month from the date of occurrence of any vacancy, including by reason of death, resignation or removal of the Chairperson or a Member, or within three months before the end of tenure of the Chairperson or Member, make a reference to the Search Committee for filling up of the vacancy.

(3) The Search Committee shall recommend a panel of at least three names for every vacancy referred to it.

(4) The Search Committee shall, before recommending any person for appointment as the Chairperson or a Member of the Commission, satisfy itself that such person

does not have any financial or other interest which is likely to affect prejudicially his functions as such Chairperson or Member.

(5) No appointment of the Chairperson or Member shall be invalid merely by reason of any vacancy or absence of a Member in the Search Committee.

(6) Subject to the provisions of sub-sections (2) to (5), the Search Committee may regulate its own procedure.

6. (1) The Chairperson and the part-time Members, other than the part-time Members appointed under clauses (b) and (c) of sub-section (4) of section 4, shall hold office for a term not exceeding four years and shall not be eligible for any extension or re-appointment:

Provided that such person shall cease to hold office after attaining the age of seventy years.

(2) The term of office of an *ex officio* Member shall continue as long as he holds the office by virtue of which he is such Member.

(3) Where a Member, other than an *ex officio* Member, is absent from three consecutive ordinary meetings of the Commission and the cause of such absence is not attributable to any valid reason in the opinion of the Commission, such Member shall be deemed to have vacated the seat.

(4) The salaries and allowances payable to, and other terms and conditions of service of, the Chairperson and Member, other than an *ex officio* Member, shall be such as may be prescribed.

(5) The Chairperson or a Member may,—

(a) relinquish his office by giving in writing to the Central Government a notice of not less than three months; or

(b) be removed from his office in accordance with the provisions of section 7:

Provided that such person may be relieved from duties earlier than three months or be allowed to continue beyond three months until a successor is appointed, if the Central Government so decides.

(6) The Chairperson and every member of the Commission shall make declaration of his assets and his liabilities at the time of entering upon his office and at the time of demitting his office and also declare his professional and commercial engagement or involvement in such form and manner as may be prescribed, and such declaration shall be published on the website of the Commission.

(7) The Chairperson or a Member, ceasing to hold office as such, shall not accept, for a period of two years from the date of demitting such office, any employment, in any capacity, including as a consultant or an expert, in any private medical institution, whose matter has been dealt with by such Chairperson or Member, directly or indirectly:

Provided that nothing herein shall be construed as preventing such person from accepting an employment in a body or institution, including medical institution, controlled or maintained by the Central Government or a State Government:

Provided further that nothing herein shall prevent the Central Government from permitting the Chairperson or a Member to accept any employment in any capacity, including as a consultant or expert in any private medical institution whose matter has been dealt with by such Chairperson or Member.

Term of office and conditions of service of Chairperson and Members.

Removal of Chairperson and Member of Commission.

7. (1) The Central Government may, by order, remove from office the Chairperson or any other Member, who—

- (a) has been adjudged an insolvent; or
- (b) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude; or
- (c) has become physically or mentally incapable of acting as a Member; or
- (d) is of unsound mind and stands so declared by a competent court; or
- (e) has acquired such financial or other interest as is likely to affect prejudicially his functions as a Member; or
- (f) has so abused his position as to render his continuance in office prejudicial to public interest.

(2) No Member shall be removed under clauses (e) and (f) of sub-section (1) unless he has been given a reasonable opportunity of being heard in the matter.

8. (1) There shall be a Secretariat for the Commission to be headed by a Secretary, to be appointed by the Central Government in accordance with the provisions of section 5.

(2) The Secretary of the Commission shall be a person of proven administrative capacity and integrity, possessing such qualifications and experience as may be prescribed.

(3) The Secretary shall be appointed by the Central Government for a term of four years and shall not be eligible for any extension or re-appointment.

(4) The Secretary shall discharge such functions of the Commission as are assigned to him by the Commission and as may be specified by regulations made under this Act.

(5) The Commission may, for the efficient discharge of its functions under this Act, appoint such officers and other employees, as it considers necessary, against the posts created by the Central Government.

(6) The salaries and allowances payable to, and other terms and conditions of service of, the Secretary, officers and other employees of the Commission shall be such as may be prescribed.

(7) The Commission may engage, in accordance with the procedure specified by regulations, such number of experts and professionals of integrity and outstanding ability, who have special knowledge of, and experience in such fields, including medical education, public health, management, health economics, quality assurance, patient advocacy, health research, science and technology, administration, finance, accounts and law, as it deems necessary, to assist the Commission in the discharge of its functions under this Act.

Meetings, etc., of Commission.

9. (1) The Commission shall meet at least once every quarter at such time and place as may be appointed by the Chairperson.

(2) The Chairperson shall preside at the meeting of the Commission, and if, for any reason, the Chairperson is unable to attend a meeting of the Commission, any other Member, being the President of an Autonomous Board, nominated by the Chairperson, shall preside at the meeting.

(3) Unless the procedure to be followed at the meetings of the Commission is otherwise provided by regulations, one-half of the total number of Members of the Commission including the Chairperson shall constitute the quorum and all the acts of the Commission shall be decided by a majority of the members, present and voting and

in the event of equality of votes, the Chairperson, or in his absence, the President of the Autonomous Board nominated under sub-section (2), shall have the casting vote.

(4) The general superintendence, direction and control of the administration of the Commission shall vest in the Chairperson.

(5) No act done by the Commission shall be questioned on the ground of the existence of a vacancy in, or a defect in the constitution of, the Commission.

(6) A person who is aggrieved by any decision of the Commission except the decision rendered under sub-section (4) of section 30 may prefer an appeal to the Central Government against such decision within thirty days of the communication of such decision.

10. (I) The Commission shall perform the following functions, namely:—

Powers and
functions of
Commission.

(a) lay down policies for maintaining a high quality and high standards in medical education and make necessary regulations in this behalf;

(b) lay down policies for regulating medical institutions, medical researches and medical professionals and make necessary regulations in this behalf;

(c) assess the requirements in healthcare, including human resources for health and healthcare infrastructure and develop a road map for meeting such requirements;

(d) promote, co-ordinate and frame guidelines and lay down policies by making necessary regulations for the proper functioning of the Commission, the Autonomous Boards and the State Medical Councils;

(e) ensure co-ordination among the Autonomous Boards;

(f) take such measures, as may be necessary, to ensure compliance by the State Medical Councils of the guidelines framed and regulations made under this Act for their effective functioning under this Act;

(g) exercise appellate jurisdiction with respect to the decisions of the Autonomous Boards;

(h) lay down policies and codes to ensure observance of professional ethics in medical profession and to promote ethical conduct during the provision of care by medical practitioners;

(i) frame guidelines for determination of fees and all other charges in respect of fifty per cent. of seats in private medical institutions and deemed to be universities which are governed under the provisions of this Act;

(j) exercise such other powers and perform such other functions as may be prescribed.

(2) All orders and decisions of the Commission shall be authenticated by the signature of the Secretary.

(3) The Commission may delegate such of its powers of administrative and financial matters, as it deems fit, to the Secretary.

(4) The Commission may constitute sub-committees and delegate such of its powers to such sub-committees as may be necessary to enable them to accomplish specific tasks.

CHAPTER III

THE MEDICAL ADVISORY COUNCIL

Constitution
and
composition
of Medical
Advisory
Council.

11. (1) The Central Government shall constitute an advisory body to be known as the Medical Advisory Council.

(2) The Council shall consist of a Chairperson and the following members, namely:—

(a) the Chairperson of the Commission shall be the *ex officio* Chairperson of the Council;

(b) every member of the Commission shall be the *ex officio* members of the Council;

(c) one member to represent each State, who is the Vice-Chancellor of a health University in that State, to be nominated by that State Government;

(d) one member to represent each Union territory, who is the Vice-Chancellor of a health University in that Union territory, to be nominated by the Ministry of Home Affairs in the Government of India;

(e) one member to represent each State and each Union territory from amongst elected members of the State Medical Council, to be nominated by that State Medical Council;

(f) the Chairman, University Grants Commission;

(g) the Director, National Assessment and Accreditation Council;

(h) four members to be nominated by the Central Government from amongst persons holding the post of Director in the Indian Institutes of Technology, Indian Institutes of Management and the Indian Institute of Science:

Provided that if there is no health University in any State or Union territory, the Vice-Chancellor of a University within that State or Union territory having the largest number of medical colleges affiliated to it shall be nominated by the State Government or by the Ministry of Home Affairs in the Government of India:

Provided further that if there is no University in any Union territory, the Ministry of Home Affairs shall nominate a member who possesses such medical qualification and experience as may be prescribed.

Functions of
Medical
Advisory
Council.

12. (1) The Council shall be the primary platform through which the States and Union territories may put forth their views and concerns before the Commission and help in shaping the overall agenda, policy and action relating to medical education and training.

(2) The Council shall advise the Commission on measures to determine and maintain, and to co-ordinate maintenance of, the minimum standards in all matters relating to medical education, training and research.

(3) The Council shall advise the Commission on measures to enhance equitable access to medical education.

Meetings of
Medical
Advisory
Council.

13. (1) The Council shall meet at least twice a year at such time and place as may be decided by the Chairperson.

(2) The Chairperson shall preside at the meeting of the Council and if for any reason the Chairperson is unable to attend a meeting of the Council, such other member as nominated by the Chairperson shall preside over the meeting.

(3) Unless the procedure is otherwise provided by regulations, fifty per cent. of the members of the Council including the Chairperson shall form the quorum and all acts of the Council shall be decided by a majority of the members present and voting.

CHAPTER IV

NATIONAL EXAMINATION

14. (1) There shall be a uniform National Eligibility-cum-Entrance Test for admission to the undergraduate and postgraduate super-speciality medical education in all medical institutions which are governed by the provisions of this Act:

Provided that the uniform National Eligibility-cum-Entrance Test for admission to the undergraduate medical education shall also be applicable to all medical institutions governed under any other law for the time being in force.

(2) The Commission shall conduct the National Eligibility-cum-Entrance Test in English and in such other languages, through such designated authority and in such manner, as may be specified by regulations.

(3) The Commission shall specify by regulations the manner of conducting common counselling by the designated authority for admission to undergraduate and postgraduate super-speciality seats in all the medical institutions which are governed by the provisions of this Act:

Provided that the designated authority of the Central Government shall conduct the common counselling for all India seats and the designated authority of the State Government shall conduct the common counselling for the seats at the State level.

15. (1) A common final year undergraduate medical examination, to be known as the National Exit Test shall be held for granting licence to practice medicine as medical practitioners and for enrolment in the State Register or the National Register, as the case may be.

National Exit Test.

(2) The Commission shall conduct the National Exit Test through such designated authority and in such manner as may be specified by regulations.

(3) The National Exit Test shall become operational on such date, within three years from the date of commencement of this Act, as may be appointed by the Central Government, by notification.

(4) Any person with a foreign medical qualification shall have to qualify National Exit Test for the purpose of obtaining licence to practice medicine as medical practitioner and for enrolment in the State Register or the National Register, as the case may be, in such manner as may be specified by regulations.

(5) The National Exit Test shall be the basis for admission to the postgraduate broad-speciality medical education in medical institutions which are governed under the provisions of this Act or under any other law for the time being in force and shall be done in such manner as may be specified by regulations.

(6) The Commission shall specify by regulations the manner of conducting common counselling by the designated authority for admission to the postgraduate broad-speciality seats in the medical institutions referred to in sub-section (5):

Provided that the designated authority of the Central Government shall conduct the common counselling for All India seats and the designated authority of the State Government shall conduct the common counselling for the seats at the State level.

CHAPTER V

AUTONOMOUS BOARDS

16. (1) The Central Government shall, by notification, constitute the following Autonomous Boards, under the overall supervision of the Commission, to perform the functions assigned to such Boards under this Act, namely:—

Constitution of Autonomous Boards.

- (a) the Under-Graduate Medical Education Board;

- (b) the Post-Graduate Medical Education Board;
- (c) the Medical Assessment and Rating Board; and
- (d) the Ethics and Medical Registration Board.

(2) Each Board referred to in sub-section (1) shall be an autonomous body which shall carry out its functions under this Act subject to the regulations made by the Commission.

**Composition
of
Autonomous
Boards.**

17. (1) Each Autonomous Board shall consist of a President and two whole-time Members and two part-time Members.

(2) The President of each Autonomous Board, three Members (including one part-time Member) of the Under-Graduate Medical Education Board and the Post-Graduate Medical Education Board, and two Members (including one part-time Member) each of the Medical Assessment and Rating Board and the Ethics and Medical Registration Board shall be persons of outstanding ability, proven administrative capacity and integrity, possessing a postgraduate degree in any discipline of medical sciences from any University and having experience of not less than fifteen years in such field, out of which at least seven years shall be as a leader in the area of medical education, public health, community medicine or health research.

(3) The third Member of the Medical Assessment and Rating Board shall be a person of outstanding ability and integrity, possessing a postgraduate degree in any of the disciplines of management, quality assurance, law or science and technology from any University, having not less than fifteen years' experience in such field, out of which at least seven years shall be as a leader.

(4) The third Member of the Ethics and Medical Registration Board shall be a person of outstanding ability who has demonstrated public record of work on medical ethics or a person of outstanding ability possessing a postgraduate degree in any of the disciplines of quality assurance, public health, law or patient advocacy from any University and having not less than fifteen years' experience in such field, out of which at least seven years shall be as a leader.

(5) The fourth Member of each Autonomous Boards, being a part-time Member, shall be chosen from amongst the elected Members of the State Medical Council in such manner as may be prescribed.

**Search
Committee
for
appointment
of President
and Members.**

18. The Central Government shall appoint the President and Members of the Autonomous Boards, except Members referred to in sub-section (5) of section 17, on the recommendations made by the Search Committee constituted under section 5 in accordance with the procedure specified in that section.

**Term of
office and
conditions of
service of
President and
Members.**

19. (1) The President and Members (other than part-time Members) of each Autonomous Board shall hold the office for a term not exceeding four years and shall not be eligible for any extension or re-appointment:

Provided that part-time Members of each Autonomous Board shall hold the office for a term of two years:

Provided further that a Member shall cease to hold office after attaining the age of seventy years.

(2) The salaries and allowances payable to, and other terms and conditions of service of the President and Members (other than part-time Members) of an Autonomous Board shall be such as may be prescribed:

Provided that part-time Members of each Autonomous Board shall be entitled for such allowances as may be prescribed.

(3) The provisions of sub-sections (3), (5), (6), (7) and (8) of section 6 relating to other terms and conditions of service of, and section 7 relating to removal from the office of, the Chairperson and Members of the Commission shall also be applicable to the President and Members of the Autonomous Boards.

20. (1) Each Autonomous Board, except the Ethics and Medical Registration Board, shall be assisted by such advisory committees of experts as may be constituted by the Commission for the efficient discharge of the functions of such Boards under this Act.

Advisory
committees of
experts.

(2) The Ethics and Medical Registration Board shall be assisted by such ethics committees of experts as may be constituted by the Commission for the efficient discharge of the functions of that Board under this Act.

21. The experts, professionals, officers and other employees appointed under section 8 shall be made available to the Autonomous Boards in such number, and in such manner, as may be specified by regulations by the Commission.

Staff of
Autonomous
Boards.

22. (1) Every Autonomous Board shall meet at least once a month at such time and place as it may appoint.

Meetings, etc.,
of
Autonomous
Boards.

(2) All decisions of the Autonomous Boards shall be made by majority of votes of the President and Members.

(3) Subject to the provision of section 28, a person who is aggrieved by any decision of an Autonomous Board may prefer an appeal to the Commission against such decision within sixty days of the communication of such decision.

23. (1) The President of each Autonomous Board shall have such administrative and financial powers as may be delegated to it by the Commission to enable such Board to function efficiently.

Powers of
Autonomous
Boards and
delegation of
powers.

(2) The President of an Autonomous Board may further delegate any of his powers to a Member or an officer of that Board.

24. (1) The Under-Graduate Medical Education Board shall perform the following functions, namely:—

Powers and
functions of
Under-
Graduate
Medical
Education
Board.

(a) determine standards of medical education at undergraduate level and oversee all aspects relating thereto;

(b) develop competency based dynamic curriculum at undergraduate level in accordance with the regulations made under this Act;

(c) develop competency based dynamic curriculum for addressing the needs of primary health services, community medicine and family medicine to ensure healthcare in such areas, in accordance with the provisions of the regulations made under this Act;

(d) frame guidelines for setting up of medical institutions for imparting undergraduate courses, having regard to the needs of the country and the global norms, in accordance with the provisions of the regulations made under this Act;

(e) determine the minimum requirements and standards for conducting courses and examinations for undergraduates in medical institutions, having regard to the needs of creativity at local levels, including designing of some courses by individual institutions, in accordance with the provisions of the regulations made under this Act;

(f) determine standards and norms for infrastructure, faculty and quality of education in medical institutions providing undergraduate medical education in accordance with the provisions of the regulations made under this Act;

(g) facilitate development and training of faculty members teaching undergraduate courses;

(h) facilitate research and the international student and faculty exchange programmes relating to undergraduate medical education;

(i) specify norms for compulsory annual disclosures, electronically or otherwise, by medical institutions, in respect of their functions that has a bearing on the interest of all stakeholders including students, faculty, the Commission and the Central Government;

(j) grant recognition to a medical qualification at the undergraduate level.

(2) The Under-Graduate Medical Education Board may, in the discharge of its duties, make such recommendations to, and seek such directions from, the Commission, as it deems necessary.

Powers and functions of Post-Graduate Medical Education Board.

25. (1) The Post-Graduate Medical Education Board shall perform the following functions, namely:—

(a) determine the standards of medical education at the postgraduate level and super-speciality level in accordance with the regulations made under this Act and oversee all aspects relating thereto;

(b) develop competency based dynamic curriculum at postgraduate level and super-speciality level in accordance with the regulations made under this Act, with a view to develop appropriate skill, knowledge, attitude, values and ethics among postgraduates and super-specialists to provide healthcare, impart medical education and conduct medical research;

(c) frame guidelines for setting up of medical institutions for imparting postgraduate and super-speciality courses, having regard to the needs of the country and global norms, in accordance with the regulations made under this Act;

(d) determine the minimum requirements and standards for conducting postgraduate and super-speciality courses and examinations in medical institution, in accordance with the regulations made under this Act;

(e) determine standards and norms for infrastructure, faculty and quality of education in medical institutions conducting postgraduate and super-speciality medical education, in accordance with the regulations made under this Act;

(f) facilitate development and training of the faculty members teaching postgraduate and super-speciality courses;

(g) facilitate research and the international student and faculty exchange programmes relating to postgraduate and super-speciality medical education;

(h) specify norms for compulsory annual disclosure, electronically or otherwise, by medical institutions in respect of their functions that has a bearing on the interest of all stakeholders including students, faculty, the Commission and the Central Government;

(i) grant recognition to the medical qualifications at the postgraduate level and super-speciality level;

(j) promote and facilitate postgraduate courses in family medicine.

(2) The Post-Graduate Medical Education Board may, in the discharge of its functions, make such recommendations to, and seek such directions from, the Commission, as it deems necessary.

Powers and functions of Medical Assessment and Rating Board.

26. (1) The Medical Assessment and Rating Board shall perform the following functions, namely:—

(a) determine the procedure for assessing and rating the medical institutions for their compliance with the standards laid down by the Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be, in accordance with the regulations made under this Act;

(b) grant permission for establishment of a new medical institution, or to start any postgraduate course or to increase number of seats, in accordance with the provisions of section 28;

(c) carry out inspections of medical institutions for assessing and rating such institutions in accordance with the regulations made under this Act:

Provided that the Medical Assessment and Rating Board may, if it deems necessary, hire and authorise any other third party agency or persons for carrying out inspections of medical institutions for assessing and rating such institutions:

Provided further that where inspection of medical institutions is carried out by such third party agency or persons authorised by the Medical Assessment and Rating Board, it shall be obligatory on such institutions to provide access to such agency or person;

(d) conduct, or where it deems necessary, empanel independent rating agencies to conduct, assess and rate all medical institutions, within such period of their opening, and every year thereafter, at such time, and in such manner, as may be specified by the regulations;

(e) make available on its website or in public domain the assessment and ratings of medical institutions at regular intervals in accordance with the regulations made under this Act;

(f) take such measures, including issuing warning, imposition of monetary penalty, reducing intake or stoppage of admissions and recommending to the Commission for withdrawal of recognition, against a medical institution for failure to maintain the minimum essential standards specified by the Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be, in accordance with the regulations made under this Act.

(2) The Medical Assessment and Rating Board may, in the discharge of its functions, make such recommendations to, and seek such directions from, the Commission, as it deems necessary.

27. (1) The Ethics and Medical Registration Board shall perform the following functions, namely:—

(a) maintain National Registers of all licensed medical practitioners in accordance with the provisions of section 31;

(b) regulate professional conduct and promote medical ethics in accordance with the regulations made under this Act:

Provided that the Ethics and Medical Registration Board shall ensure compliance of the code of professional and ethical conduct through the State Medical Council in a case where such State Medical Council has been conferred power to take disciplinary actions in respect of professional or ethical misconduct by medical practitioners under respective State Acts;

(c) develop mechanisms to have continuous interaction with State Medical Councils to effectively promote and regulate the conduct of medical practitioners and professionals;

(d) exercise appellate jurisdiction with respect to the actions taken by a State Medical Council under section 30.

(2) The Ethics and Medical Registration Board may, in the discharge of its duties, make such recommendations to, and seek such directions from, the Commission, as it deems necessary.

28. (1) No person shall establish a new medical college or start any postgraduate course or increase number of seats without obtaining prior permission of the Medical Assessment and Rating Board.

(2) For the purposes of obtaining permission under sub-section (1), a person may submit a scheme to the Medical Assessment and Rating Board in such form, containing such particulars, accompanied by such fee, and in such manner, as may be specified by the regulations.

(3) The Medical Assessment and Rating Board shall, having due regard to the criteria specified in section 29, consider the scheme received under sub-section (2) and either approve or disapprove such scheme within a period of six months from the date of such receipt:

Powers and functions of Ethics and Medical Registration Board.

Permission for establishment of new medical college.

Provided that before disapproving such scheme, an opportunity to rectify the defects, if any, shall be given to the person concerned.

(4) Where a scheme is approved under sub-section (3), such approval shall be the permission under sub-section (1) to establish new medical college.

(5) Where a scheme is disapproved under sub-section (3), or where no decision is taken within six months of submitting a scheme under sub-section (1), the person concerned may prefer an appeal to the Commission for approval of the scheme within fifteen days of such disapproval or, as the case may be, lapse of six months, in such manner as may be specified by the regulations.

(6) The Commission shall decide the appeal received under sub-section (5) within a period of forty-five days from the date of receipt of the appeal and in case the Commission approves the scheme, such approval shall be the permission under sub-section (1) to establish a new medical college and in case the Commission disapproves the scheme, or fails to give its decision within the specified period, the person concerned may prefer a second appeal to the Central Government within thirty days of communication of such disapproval or, as the case may be, lapse of specified period.

(7) The Medical Assessment and Rating Board may conduct evaluation and assessment of any medical institution at any time, either directly or through any other expert having integrity and experience of medical profession and without any prior notice and assess and evaluate the performance, standards and benchmarks of such medical institution.

Explanation.—For the purposes of this section, the term "person" includes a University, trust or any other association of persons or body of individuals, but does not include the Central Government.

Criteria for
approving or
disapproving
scheme.

29. While approving or disapproving a scheme under section 28, the Medical Assessment and Rating Board, or the Commission, as the case may be, shall take into consideration the following criteria, namely:—

(a) adequacy of financial resources;

(b) whether adequate academic faculty and other necessary facilities have been provided to ensure proper functioning of medical college or would be provided within the time-limit specified in the scheme;

(c) whether adequate hospital facilities have been provided or would be provided within the time-limit specified in the scheme;

(d) such other factors as may be prescribed:

Provided that, subject to the previous approval of the Central Government, the criteria may be relaxed for the medical colleges which are set up in such areas as may be specified by the regulations.

State Medical
Councils.

30. (1) The State Government shall, within three years of the commencement of this Act, take necessary steps to establish a State Medical Council if no such Council exists in that State.

(2) Where a State Act confers power upon the State Medical Council to take disciplinary actions in respect of any professional or ethical misconduct by a registered medical practitioner or professional, the State Medical Council shall act in accordance with the regulations made, and the guidelines framed, under this Act:

Provided that till such time as a State Medical Council is established in a State, the Ethics and Medical Registration Board shall receive the complaints and grievances

relating to any professional or ethical misconduct against a registered medical practitioner or professional in that State in accordance with such procedure as may be specified by the regulations:

Provided further that the Ethics and Medical Registration Board or, as the case may be, the State Medical Council shall give an opportunity of hearing to the medical practitioner or professional concerned before taking any action, including imposition of any monetary penalty against such person.

(3) A medical practitioner or professional who is aggrieved by any action taken by a State Medical Council under sub-section (2) may prefer an appeal to the Ethics and Medical Registration Board against such action, and the decision, if any, of the Ethics and Medical Registration Board thereupon shall be binding on the State Medical Council, unless a second appeal is preferred under sub-section (4).

(4) A medical practitioner or professional who is aggrieved by the decision of the Ethics and Medical Registration Board may prefer an appeal to the Commission within sixty days of communication of such decision.

*Explanation.—*For the purposes of this Act,—

(a) "State" includes Union territory and the expressions "State Government" and "State Medical Council", in relation to a Union territory, shall respectively mean the "Central Government" and "Union territory Medical Council";

(b) the expression "professional or ethical misconduct" includes any act of commission or omission as may be specified by the regulations.

31. (1) The Ethics and Medical Registration Board shall maintain a National Register containing the name, address, all recognised qualifications possessed by a licensed medical practitioner and such other particulars as may be specified by the regulations.

National
Register and
State Register.

(2) The National Register shall be maintained in such form, including electronic form, in such manner, as may be specified by the regulations.

(3) The manner in which a name or qualification may be added to, or removed from, the National Register and the grounds for removal thereof, shall be such as may be specified by the regulations.

1 of 1872.

(4) The National Register shall be a public document within the meaning of section 74 of the Indian Evidence Act, 1872.

(5) The National Register shall be made available to the public by placing it on the website of the Ethics and Medical Registration Board.

(6) Every State Medical Council shall maintain and regularly update the State Register in the specified electronic format and supply a physical copy of the same to the Ethics and Medical Registration Board within three months of the commencement of this Act.

(7) The Ethics and Medical Registration Board shall ensure electronic synchronisation of the National Register and the State Register in such a manner that any change in one register is automatically reflected in the other register.

(8) The Ethics and Medical Registration Board shall maintain a separate National Register in such form, containing such particulars, including the name, address and all recognised qualifications possessed by a Community Health Provider referred to in section 32 in such manner as may be specified by the regulations.

Community
Health
Provider.

32. (1) The Commission may grant limited licence to practice medicine at mid-level as Community Health Provider to such person connected with modern scientific medical profession who qualify such criteria as may be specified by the regulations:

Provided that the number of limited licence to be granted under this sub-section shall not exceed one-third of the total number of licenced medical practitioners registered under sub-section (1) of section 31.

(2) The Community Health Provider who is granted limited licences under sub-section (1), may practice medicine to such extent, in such circumstances and for such period, as may be specified by the regulations.

(3) The Community Health Provider may prescribe specified medicine independently, only in primary and preventive healthcare, but in cases other than primary and preventive healthcare, he may prescribe medicine only under the supervision of medical practitioners registered under sub-section (1) of section 32.

33. (1) Any person who qualifies the National Exit Test held under section 15 shall be granted a licence to practice medicine and shall have his name and qualifications enrolled in the National Register or a State Register, as the case may be:

Provided that a person who has been registered in the Indian Medical Register maintained under the Indian Medical Council Act, 1956 prior to the coming into force of this Act and before the National Exit Test becomes operational under sub-section (3) of section 15, shall be deemed to have been registered under this Act and be enrolled in the National Register maintained under this Act.

102 of 1956.

Rights of
persons to have
licence to
practice and
to be enrolled
in National
Register or
State Register
and their
obligations
thereto.

(2) No person who has obtained medical qualification from a medical institution established in any country outside India and is recognised as a medical practitioner in that country, shall, after the commencement of this Act and the National Exit Test becomes operational under sub-section (3) of section 15, be enrolled in the National Register unless he qualifies the National Exit Test.

(3) When a person whose name is entered in the State Register or the National Register, as the case may be, obtains any title, diploma or other qualification for proficiency in sciences or public health or medicine which is a recognised medical qualification under section 35 or section 36, as the case may be, he shall be entitled to have such title, diploma or qualification entered against his name in the State Register or the National Register, as the case may be, in such manner as may be specified by the regulations.

Bar to
practice.

34. (1) No person other than a person who is enrolled in the State Register or the National Register, as the case may be, shall—

(a) be allowed to practice medicine as a qualified medical practitioner;

(b) hold office as a physician or surgeon or any other office, by whatever name called, which is meant to be held by a physician or surgeon;

(c) be entitled to sign or authenticate a medical or fitness certificate or any other certificate required by any law to be signed or authenticated by a duly qualified medical practitioner;

(d) be entitled to give evidence at any inquest or in any court of law as an expert under section 45 of the Indian Evidence Act, 1872 on any matter relating to medicine:

1 of 1872.

Provided that the Commission shall submit a list of such medical professionals to the Central Government in such manner as may be prescribed:

Provided further that a foreign citizen who is enrolled in his country as a medical practitioner in accordance with the law regulating the registration of medical practitioners in that country may be permitted temporary registration in India for such period and in such manner as may be specified by the regulations.

(2) Any person who contravenes any of the provisions of this section shall be punished with imprisonment for a term which may extend to one year, or with fine which may extend to five lakh rupees or with both.

CHAPTER VI

RECOGNITION OF MEDICAL QUALIFICATIONS

35. (1) The medical qualification granted by any University or medical institution in India shall be listed and maintained by the Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be, in such manner as may be specified by the regulations and such medical qualification shall be a recognised medical qualification for the purposes of this Act.

Recognition of medical qualifications granted by Universities or medical institutions in India.

(2) Any University or medical institution in India which grants an undergraduate or postgraduate or super-speciality medical qualification not included in the list maintained by the Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be, may apply to that Board for granting recognition to such qualification.

(3) The Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be, shall examine the application for grant of recognition to a medical qualification within a period of six months in such manner as may be specified by the regulations.

(4) Where the Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be, decides to grant recognition to a medical qualification, it shall include such medical qualification in the list maintained by it and also specify the date of effect of such recognition.

(5) Where the Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be, decides not to grant recognition to a medical qualification, the University or the medical institution concerned may prefer an appeal to the Commission for grant of recognition within sixty days of the communication of such decision, in such manner as may be specified by the regulations.

(6) The Commission shall examine the appeal received under sub-section (5) within a period of two months and if it decides that recognition may be granted to such medical qualification, it may direct the Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be, to include such medical qualification in the list maintained by that Board, in such manner as may be specified by the regulations.

(7) Where the Commission decides not to grant recognition to the medical qualification, or fails to take a decision within the specified period, the University or the medical institution concerned may prefer a second appeal to the Central Government within thirty days of the communication of such decision or lapse of specified period, as the case may be.

(8) All medical qualifications which have been recognised before the date of commencement of this Act and are included in the First Schedule and Part I of the Third Schedule to the Indian Medical Council Act, 1956, shall also be recognised medical qualifications for the purposes of this Act, and shall be listed and maintained by the Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be, in such manner as may be specified by the regulations.

102 of 1956.

36. (1) Where an authority in any country outside India, which by the law of that country is entrusted with the recognition of medical qualifications in that country, makes an application to the Commission for granting recognition to such medical qualification in India, the Commission may, subject to such verification as it may deem necessary, either grant or refuse to grant recognition to that medical qualification:

Recognition of medical qualifications granted by medical institutions outside India.

Provided that the Commission shall give a reasonable opportunity of being heard to such authority before refusing to grant such recognition.

(2) A medical qualification which is granted recognition by the Commission under sub-section (1) shall be a recognised medical qualification for the purposes of this Act, and such qualification shall be listed and maintained by the Commission in such manner as may be specified by the regulations.

(3) Where the Commission refuses to grant recognition to the medical qualification under sub-section (1), the authority concerned may prefer an appeal to the Central Government against such decision within thirty days of communication thereof.

(4) All medical qualifications which have been recognised before the date of commencement of this Act and are included in the Second Schedule and Part II of the Third Schedule to the Indian Medical Council Act, 1956, shall also be recognised medical qualifications for the purposes of this Act, and shall be listed and maintained by the Commission in such manner as may be specified by the regulations.

102 of 1956.

Recognition of medical qualifications granted by statutory or other body in India.

37. (1) The medical qualifications granted by any statutory or other body in India which are covered by the categories listed in the Schedule shall be recognised medical qualifications for the purposes of this Act.

(2) The Diplomate of National Board in broad-speciality qualifications and super-speciality qualifications when granted in a medical institution with attached hospital or in a hospital with the strength of five hundred or more beds, by the National Board of Examinations, shall be equivalent in all respects to the corresponding postgraduate qualification and the super-speciality qualification granted under this Act, but in all other cases, senior residency in a medical college for an additional period of one year shall be required for such qualification to be equivalent for the purposes of teaching also.

(3) The Central Government may, on the recommendation of the Commission, and having regard to the objects of this Act, by notification, add to, or, as the case may be, omit from, the Schedule any categories of medical qualifications granted by a statutory or other body in India and on such addition, or as the case may be, omission, the medical qualifications granted by such statutory or other body in India shall be, or shall cease to be, recognised medical qualifications for the purposes of this Act.

Withdrawal of recognition granted to medical qualification granted by medical institutions in India.

38. (1) Where, upon receiving a report from the Medical Assessment and Rating Board under section 26, or otherwise, if the Commission is of the opinion that—

(a) the courses of study and examination to be undergone in, or the proficiency required from candidates at any examination held by, a University or medical institution do not conform to the standards specified by the Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be; or

(b) the standards and norms for infrastructure, faculty and quality of education in medical institution as determined by the Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be, are not adhered to by any University or medical institution, and such University or medical institution has failed to take necessary corrective action to maintain specified minimum standards, the Commission may initiate action in accordance with the provisions of sub-section (2):

Provided that the Commission shall, before taking any action for *suo motu* withdrawal of recognition granted to the medical qualification awarded by a University or medical institution, impose penalty in accordance with the provisions of clause (f) of sub-section (1) of section 26.

(2) The Commission shall, after making such further inquiry as it deems fit, and after holding consultations with the concerned State Government and the authority of

the concerned University or medical institution, comes to the conclusion that the recognition granted to a medical qualification ought to be withdrawn, it may, by order, withdraw recognition granted to such medical qualification and direct the Under-Graduate Medical Education Board or the Post-Graduate Medical Education Board, as the case may be, to amend the entries against the University or medical institution concerned in the list maintained by that Board to the effect that the recognition granted to such medical qualification is withdrawn with effect from the date specified in that order.

39. Where, after verification with the authority in any country outside India, the Commission is of the opinion that a recognised medical qualification which is included in the list maintained by it is to be derecognised, it may, by order, derecognise such medical qualification and remove it from the list maintained by the Commission with effect from the date of such order.

Derecognition
of medical
qualifications
granted by
medical
institutions
outside India.

40. Where the Commission deems it necessary, it may, by an order published in the Official Gazette, direct that any medical qualification granted by a medical institution in a country outside India, after such date as may be specified in that notification, shall be a recognised medical qualification for the purposes of this Act:

Provided that medical practice by a person possessing such qualification shall be permitted only if such person qualifies National Exit Test.

Special
provision in
certain cases
for
recognition of
medical
qualifications.

CHAPTER VII

GRANTS, AUDIT AND ACCOUNTS

41. The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Commission grants of such sums of money as the Central Government may think fit.

Grants by
Central
Government.

42. (1) There shall be constituted a fund to be called “the National Medical Commission Fund” which shall form part of the public account of India and there shall be credited thereto—

National
Medical
Commission
Fund.

(a) all Government grants, fees, penalties and charges received by the Commission and the Autonomous Boards;

(b) all sums received by the Commission from such other sources as may be decided by it.

(2) The Fund shall be applied for making payment towards—

(a) the salaries and allowances payable to the Chairperson and Members of the Commission, the Presidents and Members of the Autonomous Boards and the administrative expenses including the salaries and allowances payable to the officers and other employees of the Commission and Autonomous Boards;

(b) the expenses incurred in carrying out the provisions of this Act, including in connection with the discharge of the functions of the Commission and the Autonomous Boards.

43. (1) The Commission shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed, in consultation with the Comptroller and Auditor-General of India.

Audit and
accounts.

(2) The accounts of the Commission shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Commission to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India and any other persons appointed by him in connection with the audit of the accounts of the Commission shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor-General generally has in connection with the audit of Government accounts and in particular, shall have the right to demand the production of, and complete access to, records, books, accounts, connected vouchers and other documents and papers and to inspect the office of the Commission.

(4) The accounts of the Commission as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf, together with the audit report thereon, shall be forwarded annually by the Commission to the Central Government which shall cause the same to be laid, as soon as may be after it is received, before each House of Parliament.

Furnishing of returns and reports to Central Government.

44. (1) The Commission shall furnish to the Central Government, at such time, in such form and in such manner, as may be prescribed or as the Central Government may direct, such reports and statements, containing such particulars in regard to any matter under the jurisdiction of the Commission, as the Central Government may, from time to time, require.

(2) The Commission shall prepare, once every year, in such form and at such time as may be prescribed, an annual report, giving a summary of its activities during the previous year and copies of the report shall be forwarded to the Central Government.

(3) A copy of the report received under sub-section (2) shall be laid by the Central Government, as soon as may be after it is received, before each House of Parliament.

CHAPTER VIII

MISCELLANEOUS

Power of Central Government to give directions to Commission and Autonomous Boards.

45. (1) Without prejudice to the foregoing provisions of this Act, the Commission and the Autonomous Boards shall, in exercise of their powers and discharge of their functions under this Act, be bound by such directions on questions of policy as the Central Government may give in writing to them from time to time:

Provided that the Commission and the Autonomous Boards shall, as far as practicable, be given an opportunity to express their views before any direction is given under this sub-section.

(2) The decision of the Central Government whether a question is one of policy or not shall be final.

Power of Central Government to give directions to State Governments.

46. The Central Government may give such directions, as it may deem necessary, to a State Government for carrying out all or any of the provisions of this Act and the State Government shall comply with such directions.

Information to be furnished by Commission and publication thereof.

47. (1) The Commission shall furnish such reports, copies of its minutes, abstracts of its accounts, and other information to the Central Government as that Government may require.

(2) The Central Government may publish, in such manner as it may think fit, the reports, minutes, abstracts of accounts and other information furnished to it under sub-section (1).

Obligation of universities and medical institutions.

48. Every University and medical institution governed under this Act shall maintain a website at all times and display on its website all such information as may be required by the Commission or an Autonomous Board, as the case may be.

49. (1) Notwithstanding anything contained in this Act, any student who was studying for a degree, diploma or certificate in any medical institution immediately before the commencement of this Act shall continue to so study and complete his course for such degree, diploma or certificate, and such institution shall continue to provide instructions and examination for such student in accordance with the syllabus and studies as existed before such commencement, and such student shall be deemed to have completed his course of study under this Act and shall be awarded degree, diploma or certificate under this Act.

Completion of courses of studies in medical institutions.

(2) Notwithstanding anything contained in this Act, where recognition granted to a medical institution has lapsed, whether by efflux of time or by its voluntary surrender or for any other reason whatsoever, such medical institution shall continue to maintain and provide the minimum standards required to be provided under this Act till such time as all candidates who are admitted in that medical institution complete their study.

50. (1) There shall be a joint sitting of the Commission, the Central Council of Homoeopathy and the Central Council of Indian Medicine at least once a year, at such time and place as they mutually appoint, to enhance the interface between Homoeopathy, Indian Systems of Medicine and modern systems of medicine.

Joint sittings of Commission, Central Councils of Homoeopathy and Indian medicine to enhance interface between their respective systems of medicine.

(2) The agenda for the joint sitting may be prepared with mutual agreement between the Chairpersons of the Commission, the Central Council of Homoeopathy and the Central Council of Indian Medicine or be prepared separately by each of them.

(3) The joint sitting referred to in sub-section (1) may, by an affirmative vote of all members present and voting, decide on approving specific educational modules or programmes that may be introduced in the undergraduate course and the postgraduate course across medical systems and promote medical pluralism.

State Government to promote primary healthcare in rural areas.

51. Every State Government may, for the purposes of addressing or promoting primary healthcare in rural area, take necessary measures to enhance the capacity of the healthcare professionals.

Chairperson, Members, officers of Commission and of Autonomous Boards to be public servants.

52. The Chairperson, Members, officers and other employees of the Commission and the President, Members and officers and other employees of the Autonomous Boards shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code.

Protection of action taken in good faith.

45 of 1860.

53. No suit, prosecution or other legal proceeding shall lie against the Government, the Commission or any Autonomous Board or a State Medical Council or any Committee thereof, or any officer or other employee of the Government or of the Commission acting under this Act for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.

Cognizance of offences.

54. No court shall take cognizance of an offence punishable under this Act except upon a complaint in writing made in this behalf by an officer authorised by the Commission or the Ethics and Medical Registration Board or a State Medical Council, as the case may be.

Power of Central Government to supersede Commission.

55. (1) If, at any time, the Central Government is of opinion that—

(a) the Commission is unable to discharge the functions and duties imposed on it by or under the provisions of this Act; or

(b) the Commission has persistently made default in complying with any

direction issued by the Central Government under this Act or in the discharge of the functions and duties imposed on it by or under the provisions of this Act, the Central Government may, by notification, supersede the Commission for such period, not exceeding six months, as may be specified in the notification:

Provided that before issuing a notification under this sub-section, the Central Government shall give a reasonable opportunity to the Commission to show cause as to why it should not be superseded and shall consider the explanations and objections, if any, of the Commission.

(2) Upon the publication of a notification under sub-section (1) superseding the Commission,—

(a) all the Members shall, as from the date of supersession, vacate their offices as such;

(b) all the powers, functions and duties which may, by or under the provisions of this Act, be exercised or discharged by or on behalf of the Commission, shall, until the Commission is re-constituted under sub-section (3), be exercised and discharged by such person or persons as the Central Government may direct;

(c) all property owned or controlled by the Commission shall, until the Commission is re-constituted under sub-section (3), vest in the Central Government.

(3) On the expiration of the period of supersession specified in the notification issued under sub-section (1), the Central Government may,—

(a) extend the period of supersession for such further term not exceeding six months, as it may consider necessary; or

(b) re-constitute the Commission by fresh appointment and in such case the Members who vacated their offices under clause (a) of sub-section (2) shall not be deemed disqualified for appointment:

Provided that the Central Government may, at any time before the expiration of the period of supersession, whether as originally specified under sub-section (1) or as extended under this sub-section, take action under clause (b) of this sub-section.

(4) The Central Government shall cause a notification issued under sub-section (1) and a full report of any action taken under this section and the circumstances leading to such action to be laid before both Houses of Parliament at the earliest opportunity.

Power to make rules.

56. (1) The Central Government may, by notification, make rules to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the manner of appointing six Members of the Commission on rotational basis from amongst the nominees of the States and Union territories in the Medical Advisory Council under clause (b) of sub-section (4) of section 4;

(b) the manner of appointing five members of the Commission under clause (c) of sub-section (4) of section 4;

(c) the manner of nominating one expert by the Central Government under clause (c) of sub-section (1) of section 5;

- (d) the salary and allowances payable to, and other terms and conditions of service of the Chairperson and Members under sub-section (4) of section 6;
- (e) the form and the manner of making declaration under sub-section (6) of section 6;
- (f) the qualifications and experience to be possessed by the Secretary of the Commission under sub-section (2) of section 8;
- (g) the salaries and allowances payable to, and other terms and conditions of service of the Secretary, officers and other employees of the Commission under sub-section (6) of section 8;
- (h) the other powers and functions of the Commission under clause (j) of sub-section (1) of section 10;
- (i) the medical qualification and experience to be possessed by a member under the second proviso to section 11;
- (j) the manner of choosing part-time Members under sub-section (5) of section 17;
- (k) the salary and allowances payable to, and other terms and conditions of service of the President and Members of an Autonomous Board under sub-section (2), and the allowances payable to part-time Members under the proviso thereunder, of section 19;
- (l) the other factors under clause (d) of section 29;
- (m) the manner of submitting a list of medical professionals under the second proviso to sub-section (1) of section 34;
- (n) the form for preparing annual statement of accounts under sub-section (1) of section 43;
- (o) the time within which, and the form and the manner in which, the reports and statements shall be furnished by the Commission and the particulars with regard to any matter as may be required by the Central Government under sub-section (1) of section 44;
- (p) the form and the time for preparing annual report under sub-section (2) of section 44;
- (q) any other matter in respect of which provision is to be made by rules.

57. (1) The Commission may, after previous publication, by notification, make regulations consistent with this Act and the rules made thereunder to carry out the provisions of this Act.

Power to
make
regulations.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

- (a) the functions to be discharged by the Secretary of the Commission under sub-section (4) of section 8;
- (b) the procedure in accordance with which experts and professionals may be engaged and the number of such experts and professionals under sub-section (7) of section 8;
- (c) the procedure to be followed at the meetings of Commission, including the quorum at its meetings under sub-section (3) of section 9;
- (d) the quality and standards to be maintained in medical education under clause (a) of sub-section (1) of section 10;
- (e) the manner of regulating medical institutions, medical researches and medical professionals under clause (b) of sub-section (1) of section 10;

- (f) the manner of functioning of the Commission, the Autonomous Boards and the State Medical Councils under clause (d) of sub-section (1) of section 10;
- (g) the procedure to be followed at the meetings of the Medical Advisory Council, including the quorum at its meetings under sub-section (3) of section 13;
- (h) the other languages in which and the manner in which the National Eligibility-cum-Entrance Test shall be conducted under sub-section (2) of section 14;
- (i) the manner of conducting common counselling by the designated authority for admission to the undergraduate and postgraduate super-speciality medical education under sub-section (3) of section 14;
- (j) the designated authority, and the manner for conducting the National Exit Test under sub-section (2) of section 15;
- (k) the manner in which a person with foreign medical qualification shall qualify National Exit Test under sub-section (4) of section 15;
- (l) the manner in which admission to the postgraduate broad-speciality medical education shall be made on the basis of National Exit Test under sub-section (5) of section 15;
- (m) the manner of conducting common counselling by the designated authority for admission to the postgraduate broad-speciality medical education under sub-section (6) of section 15;
- (n) the number of, and the manner in which, the experts, professionals, officers and other employees shall be made available by the Commission to the Autonomous Boards under section 21;
- (o) the curriculum at undergraduate level under clause (b) of sub-section (1) of section 24;
- (p) the curriculum for primary medicine, community medicine and family medicine under clause (c) of sub-section (1) of section 24;
- (q) the manner of imparting undergraduate courses by medical institutions under clause (d) of sub-section (1) of section 24;
- (r) the minimum requirements and standards for conducting courses and examinations for undergraduates in medical institutions under clause (e) of sub-section (1) of section 24;
- (s) the standards and norms for infrastructure, faculty and quality of education at undergraduate level in medical institutions under clause (f) of sub-section (1) of section 24;
- (t) the standards of medical education at the postgraduate level and super-speciality level under clause (a) of sub-section (1) of section 25;
- (u) the curriculum at postgraduate level and super-speciality level under clause (b) of sub-section (1) of section 25;
- (v) the manner of imparting postgraduate and super-speciality courses by medical institutions under clause (c) of sub-section (1) of section 25;
- (w) the minimum requirements and standards for conducting postgraduate and super-speciality courses and examinations in medical institutions under clause (d) of sub-section (1) of section 25;

- (x) the standards and norms for infrastructure, faculty and quality of education in medical institutions conducting postgraduate and super-speciality medical education under clause (e) of sub-section (I) of section 25;
- (y) the procedure for assessing and rating the medical institutions under clause (a) of sub-section (I) of section 26;
- (z) the manner of carrying out inspections of medical institutions for assessing and rating such institutions under clause (c) of sub-section (I) of section 26;
- (za) the manner of conducting, and the manner of empanelling independent rating agencies to conduct, assessment and rating of medical institutions under clause (d) of sub-section (I) of section 26;
- (zb) the manner of making available on website or in public domain the assessment and ratings of medical institutions under clause (e) of sub-section (I) of section 26;
- (zc) the measures to be taken against a medical institution for its failure to maintain the minimum essential standards under clause (f) of sub-section (I) of section 26;
- (zd) the manner of regulating professional conduct and promoting medical ethics under clause (b) of sub-section (I) of section 27;
- (ze) the form of scheme, the particulars thereof, the fee to be accompanied and the manner of submitting scheme for establishing a new medical college or for starting any postgraduate course or for increasing number of seats under sub-section (2) of section 28;
- (zf) the manner of making an appeal to the Commission for approval of the scheme under sub-section (5) of section 28;
- (zg) the areas in respect of which criteria may be relaxed under the proviso to section 29;
- (zh) the manner of taking disciplinary action by a State Medical Council for professional or ethical misconduct of registered medical practitioner or professional and the procedure for receiving complaints and grievances by Ethics and Medical Registration Board, under sub-section (2) of section 30;
- (zi) the act of commission or omission which amounts to professional or ethical misconduct under clause (b) of the *Explanation* to section 30;
- (zj) other particulars to be contained in a National Register under sub-section (I) of section 31;
- (zk) the form, including the electronic form and the manner of maintaining the National Register under sub-section (2) of section 31;
- (zl) the manner in which any name or qualification may be added to, or removed from, the National Register and the grounds for removal thereof, under sub-section (3) of section 31;
- (zm) the form and manner in which the National Register for registering Community Health Provider is to be maintained under sub-section (8) of section 31;
- (zn) the criteria for granting limited licence to practice medicine under sub-section (I) of section 32;
- (zo) the extent, the circumstances and the period under sub-section (2) of section 32;

(zp) the manner of listing and maintaining medical qualifications granted by a University or medical institution in India under sub-section (1) of section 35;

(zq) the manner of examining the application for grant of recognition under sub-section (3) of section 35;

(zr) the manner of preferring an appeal to the Commission for grant of recognition under sub-section (5) of section 35;

(zs) the manner of including a medical qualification in the list maintained by the Board under sub-section (6) of section 35;

(zt) the manner of listing and maintaining medical qualifications which have been granted recognition before the date of commencement of this Act under sub-section (8) of section 35.

Rules and regulations to be laid before Parliament.

58. Every rule and every regulation made, and every notification issued, under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or notification; both Houses agree that the rule or regulation or notification should not be made, the rule or regulation or notification shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation or notification.

Power to remove difficulties.

59. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act, as may appear to it to be necessary, for removing the difficulty:

Provided that no order shall be made under this section after the expiry of a period of two years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

Repeal and saving.

60. (1) With effect from such date as the Central Government may appoint in this behalf, the Indian Medical Council Act, 1956 shall stand repealed and the Medical Council of India constituted under sub-section (1) of section 3 of the said Act shall stand dissolved.

102 of 1956.

(2) Notwithstanding the repeal of the Act referred to in sub-section (1), it shall not affect,—

(a) the previous operation of the Act so repealed or anything duly done or suffered thereunder; or

(b) any right, privilege, obligation or liability acquired, accrued or incurred under the Act so repealed; or

(c) any penalty incurred in respect of any contravention under the Act so repealed; or

(d) any proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty as aforesaid, and any such proceeding or remedy may be instituted, continued or enforced, and any such penalty may be imposed as if that Act had not been repealed.

(3) On the dissolution of the Medical Council of India, the person appointed as the Chairman of the Medical Council of India and every other person appointed as the

Member and any officer and other employee of that Council and holding office as such immediately before such dissolution shall vacate their respective offices and such Chairman and other Members shall be entitled to claim compensation not exceeding three months' pay and allowances for the premature termination of term of their office or of any contract of service:

Provided that any officer or other employee who has been, immediately before the dissolution of the Medical Council of India appointed on deputation basis to the Medical Council of India, shall, on such dissolution, stand reverted to his parent cadre, Ministry or Department, as the case may be:

Provided further that any officer or other employee who has been, immediately before the dissolution of the Medical Council of India, employed on regular or contractual basis by the Medical Council of India, shall, on and from such dissolution, cease to be the officer or employee of the Medical Council of India and his employment in the Medical Council of India stand terminated with immediate effect:

Provided also that such officer or employee of the Medical Council of India shall be entitled to such compensation for the premature termination of his employment, which shall not be less than three months' pay and allowances, as may be prescribed.

(4) Notwithstanding the repeal of the aforesaid enactment, any order made, any licence to practice issued, any registration made, any permission to start new medical college or to start higher course of studies or for increase in the admission capacity granted, any recognition of medical qualifications granted, under the Indian Medical Council Act, 1956, which are in force as on the date of commencement of this Act, shall continue to be in force till the date of their expiry for all purposes, as if they had been issued or granted under the provisions of this Act or the rules or regulations made thereunder.

61. (1) The Commission shall be the successor in interest to the Medical Council of India including its subsidiaries or owned trusts and all the assets and liabilities of the Medical Council of India shall be deemed to have been transferred to the Commission.

Transitory provisions.

(2) Notwithstanding the repeal of the Indian Medical Council Act, 1956, the educational standards, requirements and other provisions of the Indian Medical Council Act, 1956 and the rules and regulations made thereunder shall continue to be in force and operate till new standards or requirements are specified under this Act or the rules and regulations made thereunder:

Provided that anything done or any action taken as regards the educational standards and requirements under the enactment under repeal and the rules and regulations made thereunder shall be deemed to have been done or taken under the corresponding provisions of this Act and shall continue in force accordingly unless and until superseded by anything done or by any action taken under this Act.

THE SCHEDULE

[See section 37]

LIST OF CATEGORIES OF MEDICAL QUALIFICATIONS GRANTED BY
STATUTORY BODY OR OTHER BODY IN INDIA

<i>Sl. No.</i>	<i>Categories of medical qualifications</i>
1.	All medical qualifications granted by the Jawaharlal Institute of Postgraduate Medical Education and Research, Puducherry.
2.	All medical qualifications granted by All India Institutes of Medical Sciences.
3.	All medical qualifications granted by the Postgraduate Institute of Medical Education and Research, Chandigarh.
4.	All medical qualifications granted by the National Institute of Mental Health and Neuro-Sciences, Bangalore.
5.	All medical qualifications granted by the National Board of Examination.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

New Delhi, the 8th August, 2019

The following Act of Parliament received the assent of the President on the 8th August, 2019, and is hereby re-published for general information:—

THE REPEALING AND AMENDING ACT, 2019.

NO. 31 OF 2019

An Act to repeal certain enactments and to amend certain other enactments.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

1. This Act may be called the Repealing and Amending Act, 2019.

Short title.

2. The enactments specified in the First Schedule are hereby repealed.

Repeal of
certain
enactments.

3. The enactments specified in the Second Schedule are hereby amended to the extent and in the manner specified in the fourth column thereof.

Amendment
of certain
enactments.

4. The repeal by this Act of any enactment shall not affect any other enactment in which the repealed enactment has been applied, incorporated or referred to;

and this Act shall not affect the validity, invalidity, effect or consequences of anything already done or suffered, or any right, title, obligation or liability already acquired, accrued or incurred, or any remedy or proceeding in respect thereof, or any release or discharge of or from any debt, penalty, obligation, liability, claim or demand, or any indemnity already granted, or the proof of any past act or thing;

nor shall this Act affect any principle or rule of law, or established jurisdiction, form or course of pleading, practice or procedure, or existing usage, custom, privilege, restriction, exemption, office or appointment, notwithstanding that the same respectively may have been in any manner affirmed or recognised or derived by, in or from any enactment hereby repealed;

nor shall the repeal by this Act of any enactment revive or restore any jurisdiction, office, custom, liability, right, title, privilege, restriction, exemption, usage, practice, procedure or other matter or thing not now existing or in force.

THE FIRST SCHEDULE
(See section 2)

REPEALS

Year	Act No.	Short Title
1	2	3
1850	XII	The Public Accountants' Defaults Act, 1850.
1881	XI	The Municipal Taxation Act, 1881.
1892	X	The Government Management of Private Estates Act, 1892.
1956	69	The Terminal Tax on Railway Passengers Act, 1956.
1958	56	The Himachal Pradesh Legislative Assembly (Constitution and Proceedings) Validation Act, 1958.
1960	22	The Cotton Transport (Amendment) Act, 1960.
1963	1	The Hindi Sahitya Sammelan (Amendment) Act, 1963.
1963	35	The Dramatic Performances (Delhi Repeal) Act, 1963.
1964	10	The Public Employment (Requirement as to Residence) Amendment Act, 1964.
1968	49	The Delhi and Ajmer Rent Control (Nasirabad Cantonment Repeal) Act, 1968.
1973	56	The Alcock Ashdown Company Limited (Acquisition of Undertakings) Act, 1973.
1976	55	The Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Cess Act, 1976.
1976	61	The Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Fund Act, 1976.
1976	62	The Beedi Workers Welfare Fund Act, 1976.
1980	68	The Tea (Amendment) Act, 1980.
1981	62	The Aligarh Muslim University (Amendment) Act, 1981.
1982	63	The Road Transport Corporations (Amendment) Act, 1982.
1983	41	The Transformers and Switchgear Limited (Acquisition and Transfer of Undertakings) Act, 1983.
1988	22	The Tamil Nadu Agricultural Service Co-operative Societies (Appointment of Special Officers) Amendment Act, 1988.
1999	3	The High Denomination Bank Notes (Demonetisation) Amendment Act, 1998.
2001	39	The Motor Vehicles (Amendment) Act, 2001.
2001	48	The Registration and Other Related Laws (Amendment) Act, 2001.
2002	16	The Institutes of Technology (Amendment) Act, 2002.
2002	43	The Delhi University (Amendment) Act, 2002.
2007	3	The Dalmia Dadri Cement Limited (Acquisition and Transfer of Undertakings) Amendment Act, 2006.
2007	28	The Central Road Fund (Amendment) Act, 2007.
2009	21	The Prevention of Money-laundering (Amendment) Act, 2009.

1	2	3
2009	22	The Central Industrial Security Force (Amendment) Act, 2009.
2009	38	The Central Universities (Amendment) Act, 2009.
2010	3	The Civil Defence (Amendment) Act, 2009.
2011	6	The Repatriation of Prisoners (Amendment) Act, 2011.
2011	14	The Customs (Amendment and Validation) Act, 2011.
2012	28	The National Institutes of Technology (Amendment) Act, 2012.
2012	34	The Institutes of Technology (Amendment) Act, 2012.
2014	8	The Governors (Emoluments, Allowances and Privileges) Amendment Act, 2014.
2014	9	The National Institute of Technology, Science Education and Research (Amendment) Act, 2014.
2014	19	The Andhra Pradesh Reorganisation (Amendment) Act, 2014.
2014	20	The Telecom Regulatory Authority of India (Amendment) Act, 2014.
2014	31	The Merchant Shipping (Amendment) Act, 2014.
2014	32	The Merchant Shipping (Second Amendment) Act, 2014.
2014	39	The National Capital Territory of Delhi Laws (Special Provisions) Second (Amendment) Act, 2014.
2015	2	The Public Premises (Eviction of Unauthorised Occupants) Amendment Act, 2015.
2015	3	The Motor Vehicles (Amendment) Act, 2015.
2015	5	The Insurance Laws (Amendment) Act, 2015.
2015	10	The Mines and Minerals (Development and Regulation) Amendment Act, 2015.
2015	12	The Andhra Pradesh Reorganisation (Amendment) Act, 2015.
2015	14	The Regional Rural Banks (Amendment) Act, 2015.
2015	16	The Warehousing Corporations (Amendment) Act, 2015.
2015	21	The Companies (Amendment) Act, 2015.
2016	10	The Election Laws (Amendment) Act, 2016.
2016	13	The High Court and the Supreme Court Judges (Salaries and Conditions of Service) Amendment Act, 2016.
2016	25	The Mines and Minerals (Development and Regulation) Amendment Act, 2016.
2016	42	The National Institute of Technology, Science Education and Research (Amendment) Act, 2016.
2016	45	The Central Agricultural University (Amendment) Act, 2016.
2016	48	The Taxation Laws (Second Amendment) Act, 2016.
2017	19	The National Institute of Technology, Science Education and Research (Amendment) Act, 2017.
2017	21	The Collection of Statistics (Amendment) Act, 2017.
2017	25	The Indian Institutes of Information Technology (Amendment) Act, 2017.

THE SECOND SCHEDULE
(See section 3)

AMENDMENTS

Year	Act No.	Short title	Amendments
1	2	3	4
1961	43	The Income-tax Act, 1961	In section 54GA, in the <i>Explanation</i> to sub-section (1), in clause (a), after the word, brackets, letters "clause (za)", the words and figure "of section 2" shall be inserted.
2017	33	The Indian Institutes of Management Act, 2017	(i) in section 3, in clause (f), for the words "Director", means', the words "Director" means' shall be substituted; (ii) in section 36, in sub-section (1), for the word "Ordinance", the word "Ordinances" shall be substituted.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

New Delhi, the 9th August, 2019

The following Act of Parliament received the assent of the President on the 9th August, 2019, and is hereby re-published for general information:—

THE MOTOR VEHICLES (AMENDMENT) ACT, 2019.

NO. 32 OF 2019

An Act further to amend the Motor Vehicles Act, 1988.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Motor Vehicles (Amendment) Act, 2019.

Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

59 of 1988.

2. In the Motor Vehicles Act, 1988 (hereinafter referred to as the principal Act), in section 2,—

Amendment of section 2.

(i) for clause (1), the following clauses shall be substituted, namely:—

‘(1) “adapted vehicle” means a motor vehicle either specially designed and constructed, or to which alterations have been made under sub-section (2)

of section 52, for the use of a person suffering from any physical defect or disability, and used solely by or for such person;

(IA) “aggregator” means a digital intermediary or market place for a passenger to connect with a driver for the purpose of transportation;

(IB) “area”, in relation to any provision of this Act, means such area as the State Government may, having regard to the requirements of that provision, specify by notification in the Official Gazette;’;

(ii) after clause (4), the following clause shall be inserted, namely:—

‘(4A) “community service” means an unpaid work which a person is required to perform as a punishment for an offence committed under this Act;’;

(iii) after clause (9), the following clause shall be inserted, namely:—

‘(9A) “driver refresher training course” means the course referred to in sub-section (2A) of section 19;’;

(iv) after clause (12), the following clause shall be inserted, namely:—

‘(12A) “golden hour” means the time period lasting one hour following a traumatic injury during which there is highest likelihood of preventing death by providing prompt medical care;’;

(v) clause (18) shall be omitted;

(vi) in clause (24), for the words “invalid carriage”, the words “adapted vehicle” shall be substituted;

(vii) in clause (26), for the words “invalid carriage”, the words “adapted vehicle” shall be substituted;

(viii) after clause (38), the following clause shall be inserted, namely:—

‘(38A) “scheme” means a scheme framed under this Act;’;

(ix) after clause (42), the following clause shall be inserted, namely:—

‘(42A) “testing agency” means any entity designated as a testing agency under section 110B;’;

(x) in clause (49), after the word "rests", the words "or moves" shall be inserted.

3. After section 2A of the principal Act, the following section shall be inserted, namely:—

“2B. Notwithstanding anything contained in this Act and subject to such conditions as may be prescribed by the Central Government, in order to promote innovation, research and development in the fields of vehicular engineering, mechanically propelled vehicles and transportation in general, the Central Government may exempt certain types of mechanically propelled vehicles from the application of the provisions of this Act.”.

4. In section 8 of the principal Act,—

(i) in sub-section (1), for the words “the licensing authority having jurisdiction in the area”, the words “any of the licensing authority in the State” shall be substituted;

(ii) in sub-section (2), for the words “and with such fee”, the words “with such fee and submit in such manner, including electronic means” shall be substituted;

(iii) in sub-section (3),—

(a) after the word “application”, the words “to drive a transport vehicle made” shall be inserted;

Insertion of
new section
2B.

Promotion of
innovation.

Amendment
of section 8.

(b) the proviso shall be omitted;

(iv) in sub-section (4), in the proviso, for the words “invalid carriage”, the words “adapted vehicle” shall be substituted;

(v) in sub-section (5), for the words “passes to the satisfaction of the licensing authority such test”, the words “satisfies such conditions” shall be substituted;

(vi) in sub-section (6), after the proviso, the following provisos shall be inserted, namely:—

“Provided further that a licencing authority may issue a learner’s licence in electronic form and such manner as may be prescribed by the Central Government.:—

Provided also that the licensing authority may, before issuing the license, verify the identity of the applicant in such manner as may be prescribed by the Central Government.”.

5. In section 9 of the principal Act,—

Amendment
of section 9.

(i) in sub-section (1), for the words “the licensing authority having jurisdiction in the area”, the words “any licensing authority in the State” shall be substituted;

(ii) in sub-section (3), for the second proviso, the following proviso shall be substituted, namely:—

“Provided further that a driving licence for driving an adapted vehicle may be issued to the applicant, if the licensing authority is satisfied that he is fit to drive such motor vehicle.”;

(iii) in sub-section (4), the words “such minimum educational qualification as may be prescribed by the Central Government and” shall be omitted;

(iv) in sub-section (5), in the proviso, after the words “last such test”, the words and figures “and such applicant shall be required to complete a remedial driver training course from any school or establishment under section 12” shall be inserted.

6. In section 10 of the principal Act, in sub-section (2), in clause (c), for the words “invalid carriage”, the words “adapted vehicle” shall be substituted.

Amendment
of section 10.

7. In section 11 of the principal Act,—

Amendment
of section 11.

(i) in sub-section (1), for the words “the licensing authority having jurisdiction in the area”, the words “any licensing authority in the State” shall be substituted;

(ii) in sub-section (2), the following proviso shall be inserted, namely:—

“Provided that the licensing authority may, before issuing the license verify the identity of the applicant in such manner as may be prescribed by the Central Government.”.

8. In section 12 of the principal Act, after sub-section (4), the following sub-sections shall be inserted, namely:—

Amendment
of section 12.

“(5) Notwithstanding anything contained in any other provision, where any school or establishment has been accredited by a body notified by the Central Government under any other law for the time being in force, any person who has successfully completed a training module at such school or establishment covering a particular type of motor vehicle shall be eligible to obtain a driving licence for such type of motor vehicle.

(6) The curriculum of the training module referred to in sub-section (5) and the remedial driver training course referred to in sub-section (5) of section 9 shall be such as may be prescribed by the Central Government and that Government may make rules for the regulation of such schools or establishments.”.

Amendment
of section 14.

9. In section 14 of the principal Act, in sub-section (2),—

(i) in clause (a),—

(A) for the words “three years”, the words “five years” shall be substituted;

(B) in the proviso, for the portion beginning with the words “one year” and ending with the word “and” the words “three years and renewal thereof shall be subject to such conditions as the Central Government may prescribe; and”, shall be substituted;

(ii) for clause (b), the following clause shall be substituted, namely:—

“(b) in the case of any other licence, subject to such conditions as the Central Government may prescribe, if the person obtaining the licence, either originally or on renewal thereof,—

(i) has not attained the age of thirty years on the date of issue or, renewal thereof, be effective until the date on which such person attains the age of forty years; or

(ii) has attained the age of thirty years but has not attained the age of fifty years on the date of issue or, renewal thereof, be effective for a period of ten years from the date of such issue or renewal; or

(iii) has attained the age of fifty years but has not attained the age of fifty-five years on the date of issue or, renewal thereof, be effective until the date on which such person attains the age of sixty years; or

(iv) has attained the age of fifty-five years on the date of issue or as the case may be, renewal thereof, be effective for a period of five years from the date of such issue or renewal.”;

(iii) the proviso shall be omitted.

Amendment
of section 15.

10. In section 15 of the principal Act,—

(i) in sub-section (1), in the first proviso, for the words “more than thirty days”, the words “either one year prior to date of its expiry or within one year” shall be substituted;

(ii) in sub-section (3), for the words “thirty days”, the words “one year” shall be substituted; and

(iii) in sub-section (4),—

(a) for the words “thirty days”, the words “one year” shall be substituted; and

(b) in the second proviso for the words “five years after the driving license has ceased to be effective, the licensing authority may”, the words “one year after the driving licence has ceased to be effective, the licensing authority shall” shall be substituted.

Amendment
of section 19.

11. In section 19 of the principal Act,—

(i) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Where a licence has been forwarded to the licensing authority under sub-section (4) of section 206, the licensing authority, if satisfied after giving the holder of the driving licence an opportunity of being heard, may either discharge the holder of a driving licence or, it may for detailed reasons recorded in writing, make an order disqualifying such person from holding or obtaining any licence to drive all or any class or description of vehicles specified in the licence—

(a) for a first offence, for a period of three months;

(b) for a second or subsequent offence, with revocation of the driving licence of such person:

Provided that where a driving licence is revoked under this section, the name of the holder of such driving licence may be placed in the public domain in such manner as may be prescribed by the Central Government.”;

(ii) in sub-section (2),—

(a) after the word, brackets and figure “sub-section (I)”, the words, brackets, figure and letter “or sub-section (IA)” shall be inserted;

(b) for the proviso, the following proviso shall be substituted, namely:—

“Provided that the driving licence shall be returned to the holder at the end of the period of disqualification only if he successfully completes the driver refresher training course.”;

(iii) after sub-section (2), the following sub-sections shall be inserted, namely:—

“(2A) The licence holder whose licence has been suspended shall undergo the driver refresher training course from a school or establishment licenced and regulated under section 12 or such other agency, as may be notified by the Central Government.

(2B) The nature, syllabus and duration of the driver refresher training course shall be such as may be prescribed by the Central Government.”;

(iv) in sub-section (3), after the word, brackets and figure “sub-section (I)”, the words, brackets, figure and letter “or sub-section (IA)” shall be inserted.

12. After section 25 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 25A.

“25A. (1) The Central Government shall maintain a National Register of Driving Licences in such form and manner as may be prescribed.

National Register of Driving Licences.

(2) All State Registers of Driving Licences shall be subsumed under the National Register of Driving Licences by a date to be notified by the Central Government.

(3) No driving licence issued, or renewed, under this Act shall be valid unless it has been issued a unique driving licence number under the National Register of Driving Licences.

(4) All State Governments and licensing authorities under this Act shall transmit all information including contained data in the State Register of Driving Licences in such form and manner as may be prescribed by the Central Government.

(5) The State Governments shall be entitled to access the National Register and update their records in such manner as may be prescribed by the Central Government.”.

13. For section 26 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 26.

“26. Each State Government shall maintain, in such form as may be prescribed by the Central Government, a register to be known as the State Register of Driving Licences, in respect of driving licences issued and renewed by the licensing authorities of the State Government, containing particulars, including—

Maintenance of State Registers of Driving Licences.

(a) names and addresses of holders of driving licences;

(b) licence numbers;

- (c) dates of issue or renewal of licences;
- (d) dates of expiry of licences;
- (e) classes and types of vehicles authorised to be driven; and
- (f) such other particulars as the Central Government may prescribe.”.

Amendment
of section 27.

14. In section 27 of the principal Act,—

- (i) after clause (d), the following clauses shall be inserted, namely:—

“(da) the form and manner in which a licensing authority may issue a learner’s licence under sub-section (6) of section 8;”;

“(db) the manner in which a licensing authority may verify the identity of the applicant under the third proviso to sub-section (6) of section 8;”;

- (ii) after clause (j), the following clauses shall be inserted, namely:—

“(ja) the curriculum of training modules and the regulation of schools and establishments under sub-section (6) of section 12;”

“(jb) the conditions for the renewal of licence to drive transport vehicles carrying goods of dangerous or hazardous nature and other motor vehicles under clause (a) and clause (b) of sub-section (2) of section 14;”

“(jc) the manner in which a licensing authority may verify the identity of the applicant under the third proviso to sub-section (2) of section 11;”;

- (iii) after clause (n), the following clauses shall be inserted, namely:—

“(na) the manner of placing in the public domain of the name of the licence holder as referred to in sub-section (1A) of section 19;”

“(nb) providing for the nature, syllabus and duration of the driver refresher training course as referred to in sub-section (2B) of section 19;”;

- (iv) after clause (o), the following clause shall be inserted, namely:—

“(oa) all or any of the matters referred to in section 25A;”;

(v) in clause (p), the words, brackets and figure “sub-section (I) of” shall be omitted.

15. In section 28 of the principal Act, in sub-section (2), clause (j) shall be omitted.

Amendment
of section 28.

16. In section 40 of the principal Act, for the words “a registering authority”, the words “any registering authority in the State” shall be substituted.

Amendment
of section 40.

17. In section 41 of the principal Act,—

- (i) in sub-section (1), after the proviso, the following proviso shall be inserted, namely:—

“Provided further that in the case of a new motor vehicle, the application for registration in the State shall be made by the dealer of such motor vehicle, if the new motor vehicle is being registered in the same State in which the dealer is situated.”;

- (ii) in sub-section (3),—

(a) for the words “to the owner of a motor vehicle registered by it a certificate of registration”, the words “a certificate of registration in the name of the owner” shall be substituted;

Amendment
of section 41.

(iii) in sub-section (6), the following proviso shall be inserted, namely:—

“Provided that in case of a new motor vehicle, the application for the registration of which is made under the second proviso to sub-section (1), such motor vehicle shall not be delivered to the owner until such registration mark is displayed on the motor vehicle in such form and manner as may be prescribed by the Central Government.”;

(iv) in sub-section (7),—

(a) the words “other than a transport vehicle” shall be omitted; and

(b) after the words “date of issue of such certificate”, the words “or for such period as may be prescribed by the Central Government” shall be inserted;

(v) in sub-section (8), the words “other than a transport vehicle,” shall be omitted;

(vi) in sub-section (10),—

(a) for the words “for a period of five years”, the words “for such period, as may be prescribed by the Central Government” shall be substituted;

(b) the following proviso shall be inserted, namely:—

“Provided that the Central Government may prescribe different period of renewal for different types of motor vehicles.”;

(vii) sub-sections (II), (I2) and (I3) shall be omitted.

18. For section 43 of the principal Act, the following section shall be substituted, namely:—

“43. Notwithstanding anything contained in section 40, the owner of a motor vehicle may apply to any registering authority or other authority as may be prescribed by the State Government to have the motor vehicle temporarily registered and such authority shall issue a temporary certificate of registration and temporary registration mark in accordance with such rules as may be made by the Central Government:

Provided that the State Government may register a motor vehicle that plies, temporarily, within the State and issue a certificate of registration and registration mark for a period of one month in such manner as may be prescribed by the State Government.”.

19. For section 44 of the principal Act, the following section shall be substituted, namely:—

“44. (1) Subject to such terms and conditions as may be prescribed by the Central Government in this behalf, a motor vehicle sold by an authorised dealer shall not require production before a registering authority for the purposes of registration for the first time.

(2) Subject to such terms and conditions as may be prescribed by the State Government, a person in whose name a certificate of registration has been issued shall not be required to produce the vehicle registered or transferred before a registering authority.”.

20. In section 49 of the principal Act,—

(i) in sub-section (1), for the words “registering authority, to that other registering authority”, the words “State, to any registering authority in that State” shall be substituted;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

“(IA) The intimation under sub-section (1) may be sent to the appropriate registering authority in electronic form along with the electronic form of such

Substitution of
new section
for section 43.

Temporary
Registration.

Substitution of
new section
for section 44.

Production of
vehicle at the
time of
registration.

Amendment
of section 49.

documents, including proof of authentication in such manner as may be prescribed by the Central Government.”;

(iii) in sub-section (2), for the words “one hundred rupees”, the words “five hundred rupees” shall be substituted.

Amendment
of section 52.

21. In section 52 of the principal Act,—

(i) in sub-section (1), for the second proviso, the following proviso shall be substituted, namely:—

“Provided further that the Central Government may prescribe specifications, conditions for approval, retrofitment and other related matters for the alteration of motor vehicles and in such cases, the warranty granted by the manufacturer shall not be considered as void for the purposes of such alteration or retrofitment.”;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) A manufacturer of a motor vehicle shall on the direction issued by the Central Government, alter or retrofit safety equipment, or any other equipment in accordance with such standards and specifications as may be specified by the Central Government.”;

(iii) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) Notwithstanding anything contained in sub-section (1), any person may, with the subsequent approval of the registering authority, alter or cause to be altered any vehicle owned by him to be converted into an adapted vehicle:

Provided that such alteration complies with such conditions as may be prescribed by the Central Government.”;

(iv) in sub-section (3), the words, brackets and figure “or by reason of replacement of its engine without such approval under sub-section (2)” shall be omitted.

Amendment
of section 55.

22. In section 55 of the principal Act, after sub-section (5), the following sub-section shall be inserted, namely:—

“(5A) If any registering authority or other prescribed authority has reason to believe that any motor vehicle within its jurisdiction has been used in the commission of an offence punishable under section 199A, the authority may, after giving the owner an opportunity of making a representation in writing, cancel the certificate of registration of the vehicle for a period of one year:

Provided that the owner of the motor vehicle may apply for fresh registration in accordance with the provisions of section 40 and section 41.”.

Amendment
of section 56.

23. In section 56 of the principal Act,—

(i) in sub-section (1), after the proviso, the following proviso shall be inserted, namely:—

“Provided further that no certificate of fitness shall be granted to a vehicle, after such date as may be notified by the Central Government, unless such vehicle has been tested at an automated testing station.”;

(ii) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) The “authorised testing station” referred to in sub-section (1) means any facility, including automated testing facilities, authorised by the State Government, where fitness testing may be conducted in accordance with the rules made by the Central Government for recognition, regulation and control of such stations.”;

(iii) in sub-section (4), for the proviso, the following provisos shall be substituted, namely:—

“Provided that no such cancellation shall be made by the prescribed authority unless,—

(a) such prescribed authority holds such technical qualification as may be prescribed by the Central Government and where the prescribed authority does not hold the technical qualification, such cancellation is made on the basis of the report of an officer having such qualification; and

(b) the reasons recorded in writing cancelling a certificate of fitness are confirmed by an authorised testing station chosen by the owner of the vehicle whose certificate of fitness is sought to be cancelled:

Provided further that if the cancellation is confirmed by the authorised testing station, the cost of undertaking the test shall be borne by the owner of the vehicle being tested and in the alternative by the prescribed authority.”;

(iv) after sub-section (5), the following sub-sections shall be inserted, namely:—

“(6) All transport vehicles with a valid certificate of fitness issued under this section shall carry, on their bodies, in a clear and visible manner such distinguishing mark as may be prescribed by the Central Government.

(7) Subject to such conditions as the Central Government may prescribe, the provisions of this section may be extended to non-transport vehicles.”.

24. In section 59 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

Amendment of section 59.

“(4) The Central Government may, having regard to the public safety, convenience, protection of the environment and the objects of this Act, make rules prescribing the manner of recycling of motor vehicles and parts thereof which have exceeded their life.”.

25. After section 62 in the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 62A and 62B.

“62A. (1) No registering authority shall register any motor vehicle that contravenes any rule made under clause (a) of sub-section (1) of section 110.

Prohibition of registration and issuance of certificate of fitness to oversized vehicles.

(2) No prescribed authority or authorised testing station shall issue a certificate of fitness under section 56 to any motor vehicle that contravenes any rule made under section 110.

National Register of Motor Vehicles.

62B. (1) The Central Government shall maintain a National Register of Motor Vehicles in such form and manner as may be prescribed by it:

Provided that all State Registers of Motor Vehicles shall be subsumed under the National Register of Motor Vehicles by such date as may be notified in the Official Gazette by the Central Government.

(2) No certificate of registration issued, or renewed, under this Act shall be valid unless it has been issued a unique registration number under the National Register of Motor Vehicles.

(3) In order to maintain the National Register of Motor Vehicles, all State Governments and registering authorities under this Act shall transmit all information and data in the State Register of Motor Vehicles to the Central Government in such form and manner as may be prescribed by the Central Government.

(4) State Governments shall be able to access the National Register of Motor Vehicles and update records in accordance with the provisions of this Act and the rules made by the Central Government thereunder.”.

Substitution of new section for section 63.

26. For section 63 of the principal Act, the following section shall be substituted, namely:—

“63. Each State Government shall maintain in such form as may be prescribed by the Central Government a register to be known as the State Register of Motor Vehicles, in respect of the motor vehicles in that State, containing the particulars including—

Maintenance of State Registers of motor vehicles.

(a) registration numbers;

(b) years of manufacture;

(c) classes and types;

(d) names and addresses of registered owners; and

(e) such other particulars as may be prescribed by the Central Government.”.

Amendment of section 64.

27. In section 64 of the principal Act,—

(i) after clause (d), the following clause shall be inserted, namely:—

“(da) providing for the period of validity of a certificate of registration under sub-section (7) of section 41;”;

(ii) after clause (e), the following clause shall be inserted, namely:—

“(ea) the period of renewal of certificate of registration of different types of motor vehicles under sub-section (10) of section 41;”;

(iii) after clause (f), the following clauses shall be inserted, namely:—

“(fa) the issue of temporary certificate of registration and temporary registration mark under section 43;

“(fb) the terms and conditions under which a motor vehicle sold by an authorised dealer shall not require production before a registering authority under sub-section (1) of section 44;”;

(iv) after clause (j), the following clause shall be inserted, namely:—

“(ja) the form and manner for the electronic submission of the intimation of change of address, documents to be submitted along with such intimation including proof of authentication under sub-section (1A) of section 49;”;

(v) after clause (l), the following clauses shall be inserted, namely:—

“(la) specifications, conditions for approval, retrofitment and other related matters for the alteration of motor vehicles under sub-section (1) of section 52;

“(lb) the conditions for the alteration of any motor vehicle into an adapted vehicle under sub-section (2) of section 52;”;

(vi) after clause (n), the following clauses shall be inserted, namely:—

“(na) the distinguishing mark to be carried on the body of transport vehicles under sub-section (6) of section 56;

“(nb) the conditions under which the application of section 56 may be extended to non-transport vehicles under sub-section (7) of section 56;

“(nc) the recycling of motor vehicles and parts thereof which have exceeded their life under sub-section (4) of section 59;”;

(vii) after clause (o), the following clauses shall be inserted, namely:—

“(oa) all or any of the matters under sub-section (1) of section 62B;

(ob) all or any of the matters under sub-section (1) and sub-section (2) of section 63;”.

28. In section 65 of the principal Act, in sub-section (2),—

(i) in clause (f), after the word “marks”, the words and figures “under the proviso to section 43” shall be inserted;

(ii) clause (o) shall be omitted.

Amendment
of section 65.

29. In section 66 of the principal Act,—

(i) in sub-section (1), after the third proviso, the following proviso shall be inserted, namely:—

“Provided also that where a transport vehicle has been issued any permit or permits, as well as a licence under this Act, such vehicle may be used either under the permit, or permits, so issued to it, or under such licence, at the discretion of the vehicle owner.”;

(ii) in sub-section (3), after clause (p), the following clause shall be inserted, namely:—

“(q) to any transport vehicle having been issued a licence under a scheme, under sub-section (3) of section 67 or sub-section (1) of section 88A, or plying under such orders as may be issued by the Central Government or by the State Government.”.

Amendment
of section 66.

30. After section 66 of the principal Act, the following sections shall be inserted, namely:—

“66A. The Central Government may develop a National Transportation Policy consistent with the objects of this Act in concurrence with the State Governments and other agencies with a view to—

Insertion of
new sections
66A and 66B.

National
Transportation
Policy.

(i) establish a planning framework for passengers and goods transportation within which transport bodies are to operate;

(ii) establish a medium and long term planning framework for all forms of road transport, identify areas for the development of transport improvement infrastructure across India in consultation with the authorities and agencies related to ports, railways and aviation as well as with local and State level planning, land holding and regulatory authorities for the delivery of an integrated multimodal transport system;

(iii) establish the framework of grant of permits and schemes;

(iv) establish strategic policy for transport by road and its role as a link to other means of transport;

(v) identify strategic policies and specify priorities for the transport system that address current and future challenges;

(vi) provide medium to long term strategic directions, priorities and actions;

(vii) promote competition, innovation, increase in capacity, seamless mobility and greater efficiency in transport of goods or livestock or passengers, and economical use of resources;

(viii) safeguard the interest of the public and promote equity, while seeking to enhance private participation and public-private partnership in the transport sector;

(ix) demonstrate an integrated approach to transport and land use planning;

(x) identify the challenges that the National Transportation Policy seeks to address; and

(xi) address any other matter deemed relevant by the Central Government.

No bar against permit holders to apply and hold licences under schemes.

66B. No person who holds the permit issued under this Act shall—

(a) be disqualified from applying for a licence under the scheme made under sub-section (3) of section 67 or sub-section (1) of section 88A by reason of holding such permit; and

(b) be required to get such permit cancelled on being issued a licence under any scheme made under this Act.”.

Amendment of section 67.

31. In section 67 of the principal Act,—

(i) for sub-section (1), the following sub-section shall be substituted, namely:—

“(I) A State Government, having regard to—

(a) the advantages offered to the public, trade and industry by the development of motor transport;

(b) the desirability of co-ordinating road and rail transport;

(c) the desirability of preventing the deterioration of the road system, and

(d) promoting effective competition among the transport service providers,

may, from time to time, by notification in the Official Gazette issue directions both to the State Transport Authority and Regional Transport Authority regarding the passengers’ convenience, economically competitive fares, prevention of overcrowding and road safety.”;

(ii) in sub-section (2), the following proviso shall be inserted, namely:—

“Provided that the State Government may subject to such conditions as it may deem fit, and with a view to achieving the objectives specified in clause (d) of sub-section (1), relax all or any of the provisions made under this Chapter.”;

(iii) after sub-section (2), the following sub-sections shall be inserted, namely:—

“(3) Notwithstanding anything contained in this Act, the State Government may, by notification in the Official Gazette, modify any permit issued under this Act or make schemes for the transportation of goods and passengers and issue licences under such scheme for the promotion of development and efficiency in transportation—

(a) last mile connectivity;

(b) rural transport;

(c) reducing traffic congestion;

(d) improving urban transport;

(e) safety of road users;

(f) better utilisation of transportation assets;

(g) the enhancement of economic vitality of the area, through competitiveness, productivity and efficiency;

(h) the increase in the accessibility and mobility of people;

(i) the protection and enhancement of the environment;

(j) the promotion of energy conservation;

(k) improvement of the quality of life;

(l) enhance integration and connectivity of the transportation system, across and between modes of transport; and

(m) such other matters as the Central Government may deem fit.

(4) The scheme framed under sub-section (3), shall specify the fees to be charged, form of application and grant of a licence including the renewal, suspension, cancellation or modification of such licence.”.

32. In section 72 of the principal Act, in sub-section (2), the following proviso shall be inserted, namely:—

Amendment of section 72.

“Provided that the Regional Transport Authority may waive any such condition for a stage carriage permit operating in a rural area, as it deems fit.”.

33. In section 74 of the principal Act,—

Amendment of section 74.

(i) in sub-section (2), the following proviso shall be inserted, namely:—

“Provided that the Regional Transport Authority may in the interests of last mile connectivity waive any such condition in respect of any such types of vehicles as may be specified by the Central Government.”;

(ii) in sub-section (3), in the proviso to clause (b), after sub-clause (vi), the following sub-clause shall be inserted, namely:—

“(vii) self-help groups.”.

34. After section 88 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 88A.

“88A. (1) Notwithstanding anything contained in this Act, the Central Government may, by notification in the Official Gazette, modify any permit issued under this Act or make schemes for national, multimodal and inter-State transportation of goods or passengers, and issue or modify licences under, such scheme for the following purposes, namely:—

Power of Central Government to make schemes for national, multimodal and inter-State transport of passengers and goods.

(a) last mile connectivity;

(b) rural transport;

(c) improving the movement of freight, and logistics;

(d) better utilisation of transportation assets;

(e) the enhancement to the economic vitality of the area, especially by enabling competitiveness, productivity and efficiency;

(f) the increase in the accessibility and mobility of people;

(g) the protection and enhancement of the environment;

(h) the promotion of energy conservation;

(i) improvement of the quality of life;

(j) enhancement of the integration and connectivity of the transportation system, across and between modes of transport; and

(k) such other matters as the Central Government may deem fit.

Provided that the Central Government may, before taking any action under this sub-section seek concurrence of the State Governments.

(2) Notwithstanding anything contained in sub-section (1), two or more States may make schemes for the operation within such States for the inter-State transportation of goods or passengers:

Provided that in the event of any repugnancy between the schemes made by the Central Government under sub-section (1) and schemes made by two or more States under this sub-section, the schemes made under sub-section (1) shall prevail.”.

Amendment
of section 92.

35. In section 92 of the principal Act, for the words “stage carriage or contract carriage, in respect of which a permit”, the words “transport vehicle, in respect of which a permit or licence” shall be substituted.

Amendment
of section 93.

36. In section 93 of the principal Act,—

(i) for the marginal heading, the following marginal heading shall be substituted, namely:—

“Agent or canvasser or aggregator to obtain licence.”;

(ii) in sub-section (1),—

(a) after clause (ii), the following clause shall be inserted, namely:—

“(iii) as an aggregator.”;

(b) the following provisos shall be inserted, namely:—

“Provided that while issuing the licence to an aggregator the State Government may follow such guidelines as may be issued by the Central Government:

Provided further that every aggregator shall comply with the provisions of the Information Technology Act, 2000 and the rules and regulations made thereunder.”.

21 of 2000.

Amendment
of section 94.

37. In section 94 of the principal Act, after the word “permit” occurring at both the places the words “or licence issued under any scheme” shall be inserted.

Amendment
of section 96.

38. In section 96 of the principal Act, in sub-section (2), after clause (xxxii), the following clauses shall be inserted, namely:—

“(xxxia) framing of schemes under sub-section (3) of section 67;

(xxxib) the promotion of effective competition, passenger convenience and safety, competitive fares and prevention of overcrowding.”.

Amendment
of section
110.

39. In section 110 of the principal Act,—

(i) in sub-section (1), in clause (k), after the words “standards of the components”, the words “, including software,” shall be inserted;

(ii) in sub-section (2), after the words “in particular circumstances”, the words “and such rules may lay down the procedure for investigation, the officers empowered to conduct such investigations, the procedure for hearing of such matters and the penalties to be levied thereunder” shall be inserted;

(iii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A) Persons empowered under sub-section (2) to conduct investigations referred to in sub-section (2) shall have all the powers of a civil court, while trying a suit under the Code of Civil Procedure, 1908 in respect of the following matters, namely:—

5 of 1908.

- (a) summoning and enforcing the attendance of any person and examining him on oath;
- (b) requiring the discovery and production of any document;
- (c) receiving evidence on affidavit; and
- (d) any other matter as may be prescribed.”.

40. After section 110 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 110A and 110B.

“110A. (1) The Central Government may, by order, direct a manufacturer to recall motor vehicles of a particular type or its variants, if—

Recall of motor vehicles.

(a) a defect in that particular type of motor vehicle may cause harm to the environment or to the driver or occupants of such motor vehicle or other road users; and

(b) a defect in that particular type of motor vehicle has been reported to the Central Government by—

(i) such percentage of owners, as the Central Government, may by notification in the Official Gazette, specify; or

(ii) a testing agency; or

(iii) any other source.

(2) Where the defect referred to in sub-section (1) lies in a motor vehicle component, the Central Government may, by order, direct a manufacturer to recall all motor vehicles which contain such component, regardless of the type or variants of such motor vehicle.

(3) A manufacturer whose vehicles are recalled under sub-section (1) or sub-section (2), shall—

(a) reimburse the buyers for the full cost of the motor vehicle, subject to any hire-purchase or lease-hypothecation agreement; or

(b) replace the defective motor vehicle with another motor vehicle of similar or better specifications which complies with the standards specified under this Act or repair it; and

(c) pay such fines and other dues in accordance with sub-section (6).

(4) Where a manufacturer notices a defect in a motor vehicle manufactured by him, he shall inform the Central Government of the defect and initiate recall proceedings and in such case the manufacturer shall not be liable to pay fine under sub-section (3).

(5) The Central Government may authorise any officer to conduct investigation under this section who shall have all the powers of a civil court, while trying a suit under the Code of Civil Procedure, 1908 in respect of the following matters, namely:—

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) requiring the discovery and production of any document;

(c) receiving evidence on affidavit; and

(d) any other matter as may be prescribed.

(6) The Central Government may make rules for regulating the recall of motor vehicles, of a particular type or its variants, for any defect which in the opinion of the

Central Government, may cause harm to the environment or to the driver or occupants of such motor vehicle or to other road users.

Type-approval certificate and testing agencies.

110B. (1) No motor vehicle, including a trailer or semi-trailer or modular hydraulic trailer or side car shall be sold or delivered or offered for sale or delivery or used in a public place in India unless a type-approval certificate referred to in sub-section (2) has been issued in respect of such vehicle:

Provided that the Central Government may, by notification in the Official Gazette, extend the requirement of type-approval certificate to other vehicles drawn or intended to be drawn by a motor vehicle:

Provided further that such certificate shall not be required for vehicles which are—

(a) intended for export or display or demonstration or exhibition; or

(b) used by a manufacturer of motor vehicles or motor vehicle components or a research and development centre or a test by agency for testing and validation or for data collection, inside factory premises or in a non-public place; or

(c) exempted by the Central Government.

(2) The manufacturer or importer of motor vehicles including trailers, semi-trailers, modular hydraulic trailers and side cars shall submit the prototype of the vehicle to be manufactured or imported for test to a testing agency for obtaining a type-approval certificate by such agency.

(3) The Central Government shall make rules for the accreditation, registration and regulation of testing agencies.

(4) The testing agencies shall conduct tests on vehicles drawn from the production line of the manufacturer or obtained otherwise to verify the conformity of such vehicles to the provisions of this Chapter and the rules and regulations made thereunder.

(5) Where the motor vehicle having a type-approval certificate is recalled under section 110A, the testing agency which granted the certificate to such motor vehicle shall be liable for its accreditation and registration to be cancelled.”.

Amendment of section 114.

41. In section 114 of the principal Act, in sub-section (1), for the words “authorised in this behalf by the State Government”, the words “or any other person authorised in this behalf by the State Government” shall be substituted.

Amendment of section 116.

42. In section 116 of the principal Act,—

(i) after sub-section (1), the following sub-section shall be inserted, namely:—

“(IA) Notwithstanding anything contained in sub-section (1), the National Highways Authority of India constituted under the National Highways Authority of India Act, 1988 or any other agency authorised by the Central Government, may cause or permit traffic signs, as provided in the First Schedule, to be placed or erected or removed on national highways for the purpose of regulating motor vehicle traffic and may order the removal of any sign or advertisement which in its opinion is so placed as to obscure any traffic sign from view or is so similar in appearance to a traffic sign as to mislead or is likely to distract the attention or concentration of the driver:

Provided that for the purposes of this sub-section, the National Highway Authority of India or any other agency authorised by the Central Government may seek assistance from the authorities of the State Government and the said State Government shall provide such assistance.”;

(ii) in sub-section (3), after the words, brackets and figure “provided by sub-section (I)”, the words, brackets, figure and letter “or sub-section (IA)” shall be inserted.

43. In section 117 of the principal Act, the following provisos shall be inserted, namely:—

“Provided that the State Government or the authorised authority shall, give primacy to the safety of road users and the free flow of traffic in determining such places:

68 of 1988.

Provided further that for the purpose of this section the National Highways Authority of India, constituted under the National Highways Authority of India Act, 1988 or any other agency authorised by the Central Government, may also determine such places.”.

44. For section 129 of the principal Act, the following section shall be substituted, namely:—

Amendment
of section
117.

Substitution of
new section
for section
129.

Wearing of
protective
headgear.

‘129. Every person, above four years of age, driving or riding or being carried on a motorcycle of any class or description shall, while in a public place, wear protective headgear conforming to such standards as may be prescribed by the Central Government:

Provided that the provisions of this section shall not apply to a person who is a Sikh, if, while driving or riding on the motorcycle, in a public place, he is wearing a turban:

Provided further that the Central Government may by rules provide for measures for the safety of children below four years of age riding or being carried on a motorcycle.

Explanation.—“Protective headgear” means a helmet which,—

(a) by virtue of its shape, material and construction, could reasonably be expected to afford to the person driving or riding on a motorcycle a degree of protection from injury in the event of an accident; and

(b) is securely fastened to the head of the wearer by means of straps or other fastenings provided on the headgear.’.

45. After section 134 of the principal Act, the following section shall be inserted, namely:—

Insertion of
new section
134A.

Protection of
Good
Samaritans.

“134A. (1) A Good Samaritan shall not be liable for any civil or criminal action for any injury to or death of the victim of an accident involving a motor vehicle, where such injury or death resulted from the Good Samaritan’s negligence in acting or failing to act while rendering emergency medical or non-medical care or assistance.

(2) The Central Government may by rules provide for the procedure for questioning or examination of the Good Samaritan, disclosure of personal information of the Good Samaritan and such other related matters.

Explanation.—For the purposes of this section, “Good Samaritan” means a person, who in good faith, voluntarily and without expectation of any reward or compensation renders emergency medical or non-medical care or assistance at the scene of an accident to the victim or transports such victim to the hospital.”.

46. In section 135 of the principal Act,—

Amendment
of section
135.

(i) in sub-section (I),—

(a) in clause (c), the word “and” shall be omitted;

(b) in clause (d), for the word “highways”, the words “highways; and” shall be substituted; and

(ii) after clause (d), the following clause shall be inserted, namely:—

“(e) any other amenities in the interests of the safety and the convenience of the public.”;

(iii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) The Central Government may, by notification in the Official Gazette, make one or more schemes to conduct in-depth studies on the causes and analysis of road accidents.”.

47. After section 136 of the principal Act, the following section shall be inserted, namely:—

‘136A. (1) The State Government shall ensure electronic monitoring and enforcement of road safety in the manner provided under sub-section (2) on national highways, state highways, roads or in any urban city within a State which has a population up to such limits as may be prescribed by the Central Government.

(2) The Central Government shall make rules for the electronic monitoring and enforcement of road safety including speed cameras, closed-circuit television cameras, speed guns, body wearable cameras and such other technology.

Explanation.—For the purpose of this section the expression “body wearable camera” means a mobile audio and video capture device worn on the body or uniform of a person authorised by the State Government.’.

48. In section 137 of the principal Act,—

(i) after clause (a), the following clause shall be inserted, namely:—

“(aa) providing for the standards of protective headgear and measures for the safety of children below the age of four years riding under section 129.”;

(ii) after clause (b), the following clauses shall be inserted, namely:—

“(c) providing for limits of urban city by the State Governments under sub-section (1) of section 136A; and

(d) providing for electronic monitoring and enforcement under sub-section (2) of section 136A.”.

49. In section 138 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely:—

“(IA) The State Government may, in the interest of road safety, make rules for the purposes of regulating the activities and access of non-mechanically propelled vehicles and pedestrians to public places and national highways:

Provided that in the case of national highways, such rules shall be framed in consultation with the National Highways Authority of India.”.

50. Chapter X in the principal Act shall be omitted.

51. For Chapter XI of the principal Act, the following Chapter shall be substituted, namely:—

Insertion of new section 136A.

Electronic monitoring and enforcement of road safety.

Amendment of section 137.

Amendment of section 138.

Omission of Chapter X.

Substitution of new Chapter XI for Chapter XI.

‘CHAPTER XI

INSURANCE OF MOTOR VEHICLES AGAINST THIRD PARTY RISKS

145. In this Chapter,—

Definitions.

41 of 1999.

(a) “authorised insurer” means an insurer for the time being carrying on general insurance business in India and granted a certificate of registration by the Insurance Regulatory and Development Authority of India established under section 3 of the Insurance Regulatory and Development Authority Act, 1999 and any Government insurance fund authorised to do general insurance business under the General Insurance Business (Nationalisation) Act, 1972;

57 of 1972.

(b) “certificate of insurance” means a certificate issued by an authorised insurer in pursuance of section 147 and includes a cover note complying with such requirements as may be prescribed, and where more than one certificate has been issued in connection with a policy, or where a copy of a certificate has been issued, all those certificates or that copy, as the case may be;

45 of 1860.

(c) “grievous hurt” shall have the same meaning as assigned to it in section 320 of the Indian Penal Code;

41 of 1999.

(d) “hit and run motor accident” means an accident arising out of the use of a motor vehicle or motor vehicles the identity whereof cannot be ascertained in spite of reasonable efforts for the purpose;

(e) “Insurance Regulatory and Development Authority” means the Insurance Regulatory and Development Authority established under section 3 of the Insurance Regulatory and Development Authority Act, 1999;

(f) “policy of insurance” includes certificate of insurance;

(g) “property” includes roads, bridges, culverts, causeways, trees, posts, milestones and baggage of passengers and goods carried in any motor vehicle;

(h) “reciprocating country” means any such country as may on the basis of reciprocity be notified by the Central Government in the Official Gazette to be a reciprocating country for the purposes of this Act;

(i) “third party” includes the Government, the driver and any other co-worker on a transport vehicle.

6 of 1991.

146. (1) No person shall use, except as a passenger, or cause or allow any other person to use, a motor vehicle in a public place, unless there is in force, in relation to the use of the vehicle by that person or that other person, as the case may be, a policy of insurance complying with the requirements of this Chapter:

Necessity for insurance against third party risks.

Provided that in the case of a vehicle carrying, or meant to carry, dangerous or hazardous goods, there shall also be a policy of insurance under the Public Liability Insurance Act, 1991.

Explanation.—For the purposes of this sub-section, a person driving a motor vehicle merely as a paid employee, while there is in relation to the use of the vehicle no such policy in force as is required by this sub-section, shall not be deemed to act in contravention of the sub-section unless he knows or has reason to believe that there is no such policy in force.

(2) The provisions of sub-section (1) shall not apply to any vehicle owned by the Central Government or a State Government and used for purposes not connected with any commercial enterprise.

(3) The appropriate Government may, by order, exempt from the operation of sub-section (1), any vehicle owned by any of the following authorities, namely:—

(a) the Central Government or a State Government, if the vehicle is used for purposes connected with any commercial enterprise;

(b) any local authority;

(c) any State Transport Undertaking:

Provided that no such order shall be made in relation to any such authority unless a fund has been established and is maintained by that authority in such manner as may be prescribed by appropriate Government.

Explanation.—For the purposes of this sub-section, “appropriate Government” means the Central Government or a State Government, as the case may be, and—

(i) in relation to any corporation or company owned by the Central Government or any State Government, means the Central Government or that State Government;

(ii) in relation to any corporation or company owned by the Central Government and one or more State Governments, means the Central Government;

(iii) in relation to any other State Transport Undertaking or any local authority, means that Government which has control over that undertaking or authority.

147. (I) In order to comply with the requirements of this Chapter, a policy of insurance must be a policy which—

(a) is issued by a person who is an authorised insurer; and

(b) insures the person or classes of persons specified in the policy to the extent specified in sub-section (2)—

(i) against any liability which may be incurred by him in respect of the death of or bodily injury to any person including owner of the goods or his authorised representative carried in the motor vehicle or damage to any property of a third party caused by or arising out of the use of the motor vehicle in a public place;

(ii) against the death of or bodily injury to any passenger of a transport vehicle, except gratuitous passengers of a goods vehicle, caused by or arising out of the use of the motor vehicle in a public place.

Explanation.—For the removal of doubts, it is hereby clarified that the death of or bodily injury to any person or damage to any property of a third party shall be deemed to have been caused by or to have arisen out of, the use of a vehicle in a public place, notwithstanding that the person who is dead or injured or the property which is damaged was not in a public place at the time of the accident, if the act or omission which led to the accident occurred in a public place.

(2) Notwithstanding anything contained under any other law for the time being in force, for the purposes of third party insurance related to either death of a person or grievous hurt to a person, the Central Government shall prescribe a base premium and the liability of an insurer in relation to such premium for an insurance policy under sub-section (I) in consultation with the Insurance Regulatory and Development Authority.

(3) A policy shall be of no effect for the purposes of this Chapter unless and until there is issued by the insurer in favour of the person by whom the policy is effected, a certificate of insurance in the prescribed form and containing the prescribed particulars of any condition subject to which the policy is issued and of any other prescribed

matters; and different forms, particulars and matters may be prescribed in different cases.

(4) Notwithstanding anything contained in this Act, a policy of Insurance issued before the commencement of the Motor Vehicles (Amendment) Act, 2019 shall be continued on the existing terms under the contract and the provisions of this Act shall apply as if this Act had not been amended by the said Act.

(5) Where a cover note issued by the insurer under the provisions of this Chapter or the rules or regulations made thereunder is not followed by a policy of insurance within the specified time, the insurer shall, within seven days of the expiry of the period of the validity of the cover note, notify the fact to the registering authority or to such other authority as the State Government may prescribe.

(6) Notwithstanding anything contained in any other law for the time being in force, an insurer issuing a policy of insurance under this section shall be liable to indemnify the person or classes of persons specified in the policy in respect of any liability which the policy purports to cover in the case of that person or those classes of persons.

148. Where, in pursuance of an arrangement between India and any reciprocating country, the motor vehicle registered in the reciprocating country operates on any route or within any area common to the two countries and there is in force in relation to the use of the vehicle in the reciprocating country, a policy of insurance complying with the requirements of the law of insurance for the time being in force in that country, then, notwithstanding anything contained in section 147 but subject to any rules which may be made under section 164B such policy of insurance shall be effective throughout the route or area in respect of which the arrangement has been made, as if the policy of insurance had complied with the requirements of this Chapter.

Validity of policies of insurance issued in reciprocating countries.

149. (1) The insurance company shall, upon receiving information of the accident, either from claimant or through accident information report or otherwise, designate an officer to settle the claims relating to such accident.

Settlement by insurance company and procedure therefor.

(2) An officer designated by the insurance company for processing the settlement of claim of compensation may make an offer to the claimant for settlement before the Claims Tribunal giving such details, within thirty days and after following such procedure as may be prescribed by the Central Government.

(3) If, the claimant to whom the offer is made under sub-section (2),—

(a) accepts such offer,—

(i) the Claims Tribunal shall make a record of such settlement, and such claim shall be deemed to be settled by consent; and

(ii) the payment shall be made by the insurance company within a maximum period of thirty days from the date of receipt of such record of settlement;

(b) rejects such offer, a date of hearing shall be fixed by the Claims Tribunal to adjudicate such claim on merits.

150. (1) If, after a certificate of insurance has been issued under sub-section (3) of section 147 in favour of the person by whom a policy has been effected, judgment or award in respect of any such liability as is required to be covered by a policy under clause (b) of sub-section (1) of section 147 (being a liability covered by the terms of the policy) or under the provisions of section 164 is obtained against any person insured by the policy, then, notwithstanding that the insurer may be entitled to avoid or cancel or may have avoided or cancelled the policy, the insurer shall, subject to the provisions of this section, pay to the person entitled to the benefit of the award any sum not

Duty of insurers to satisfy judgments and awards against persons insured in respect of third party risks.

exceeding the sum assured payable thereunder, as if that person were the decree holder, in respect of the liability, together with any amount payable in respect of costs and any sum payable in respect of interest on that sum by virtue of any enactment relating to interest on judgments.

(2) No sum shall be payable by an insurer under sub-section (1) in respect of any judgment or award unless, before the commencement of the proceedings in which the judgment or award is given the insurer had notice through the court or, as the case may be, the Claims Tribunal of the bringing of the proceedings, or in respect of such judgment or award so long as its execution is stayed pending an appeal; and an insurer to whom notice of the bringing of any such proceedings is so given shall be entitled to be made a party thereto, and to defend the action on any of the following grounds, namely:—

(a) that there has been a breach of a specified condition of the policy, being one of the following conditions, namely:—

(i) a condition excluding the use of the vehicle—

(A) for hire or reward, where the vehicle is on the date of the contract of insurance a vehicle not covered by a permit to ply for hire or reward; or

(B) for organised racing and speed testing; or

(C) for a purpose not allowed by the permit under which the vehicle is used, where the vehicle is a transport vehicle; or

(D) without side-car being attached where the vehicle is a two-wheeled vehicle; or

(ii) a condition excluding driving by a named person or by any person who is not duly licenced or by any person who has been disqualified for holding or obtaining a driving licence during the period of disqualification or driving under the influence of alcohol or drugs as laid down in section 185; or

(iii) a condition excluding liability for injury caused or contributed to by conditions of war, civil war, riot or civil commotion; or

(b) that the policy is void on the ground that it was obtained by nondisclosure of any material fact or by representation of any fact which was false in some material particular; or

(c) that there is non-receipt of premium as required under section 64VB of the Insurance Act, 1938.

4 of 1938.

(3) Where any such judgment or award as is referred to in sub-section (1) is obtained from a court in a reciprocating country and in the case of a foreign judgment is, by virtue of the provisions of section 13 of the Code of Civil Procedure, 1908 conclusive as to any matter adjudicated upon by it, the insurer (being an insurer registered under the Insurance Act, 1938 and whether or not that person is registered under the corresponding law of the reciprocating country) shall be liable to the person entitled to the benefit of the decree in the manner and to the extent specified in sub-section (1), as if the judgment or award were given by a court in India:

5 of 1908.

4 of 1938.

Provided that no sum shall be payable by the insurer in respect of any such judgment or award unless, before the commencement of the proceedings in which the judgment or award is given, the insurer had notice through the court concerned of the bringing of the proceedings and the insurer to whom notice is so given is entitled under the corresponding law of the reciprocating country, to be made a party to the proceedings and to defend the action on grounds similar to those specified in sub-section (2).

(4) Where a certificate of insurance has been issued under sub-section (3) of section 147 to the person by whom a policy has been effected, so much of the policy as purports to restrict the insurance of the persons insured thereby, by reference to any condition other than those in sub-section (2) shall, as respects such liabilities as are required to be covered by a policy under clause (b) of sub-section (1) of section 147, be of no effect.

(5) No insurer to whom the notice referred to in sub-section (2) or sub-section (3) has been given shall be entitled to avoid his liability to any person entitled to the benefit of any such judgment or award as is referred to in sub-section (1) or in such judgment as is referred to in sub-section (3) otherwise than in the manner provided for in sub-section (2) or in the corresponding law of the reciprocating country, as the case may be.

(6) If on the date of filing of any claim, the claimant is not aware of the insurance company with which the vehicle had been insured, it shall be the duty of the owner of the vehicle to furnish to the tribunal or court the information as to whether the vehicle had been insured on the date of the accident, and if so, the name of the insurance company with which it is insured.

*Explanation.—*For the purposes of this section,—

(a) “award” means an award made by the Claims Tribunal under section 168;

(b) “Claims Tribunal” means a Claims Tribunal constituted under section 165;

(c) “liability covered by the terms of the policy” means the liability which is covered by the policy or which would be so covered but for the fact that the insurer is entitled to avoid or cancel or has avoided or cancelled the policy; and

(d) “material fact” and “material particular” mean, respectively, a fact or particular of such a nature as to influence the judgment of a prudent insurer in determining whether he shall take the risk and, if so, at what premium and on what conditions.

151. (1) Where under any contract of insurance affected in accordance with the provisions of this Chapter, a person is insured against liabilities which he may incur to third party, then—

(a) in the event of the person becoming insolvent or making a composition or arrangement with his creditors; or

(b) where the insured person is a company, in the event of a winding-up order being made or a resolution for a voluntary winding-up being passed with respect to the company or of a receiver or manager of the company’s business or undertaking being duly appointed, or of possession being taken by or on behalf of the holders of any debentures secured by a floating charge of any property comprised in or subject to the charge,

if, either before or after that event, any such liability is incurred by the insured person his rights against the insurer under the contract in respect of the liability shall, notwithstanding anything to the contrary in any provision of law, be transferred to and vest in the third party to whom the liability was so incurred.

Rights of third party against insurers on insolvency of insured.

(2) Where an order for the administration of the estate of a deceased debtor is made according to the law of insolvency, then, if any debt provable in insolvency is owing by the deceased in respect of a liability to a third party against which he was insured under a contract of insurance in accordance with the provisions of this Chapter, the deceased debtor’s rights against the insurer in respect of that liability shall,

notwithstanding anything to the contrary in any provision of law, be transferred to and vest in the person to whom the debt is owing.

(3) Any condition in a policy issued for the purposes of this Chapter purporting, either directly or indirectly, to avoid the policy or to alter the rights of the parties thereunder upon the happening to the insured person of any of the events specified in clause (a) or clause (b) of sub-section (1) or upon the making of an order for the administration of the estate of a deceased debtor according to the law of insolvency, shall be of no effect.

(4) Upon a transfer under sub-section (1) or sub-section (2), the insurer shall be under the same liability to the third party as he would have been to the insured person, but—

(a) if the liability of the insurer to the insured person exceeds the liability of the insured person to the third party, nothing in this Chapter shall affect the rights of the insured person against the insurer in respect of the excess amount; and

(b) if the liability of the insurer to the insured person is less than the liability of the insured person to the third party, nothing in this Chapter shall affect the rights of the third party against the insured person in respect of the balance amount.

Duty to give information as to insurance.

152. (1) No person against whom a claim is made in respect of any liability referred to in clause (b) of sub-section (1) of section 147 shall, on demand by or on behalf of the person making the claim, refuse to state whether or not he was insured in respect of that liability by any policy issued under the provisions of this Chapter, or would have been so insured if the insurer had not avoided or cancelled the policy, nor shall he refuse, if he was or would have been so insured, to give such particulars with respect to that policy as were specified in the certificate of insurance issued in respect thereof.

(2) In the event of any person becoming insolvent or making an arrangement with his creditors or in the event of an order being made for the administration of the estate of a deceased person according to the law of insolvency, or in the event of a winding-up order being made or a resolution for a voluntary winding-up being passed with respect to any company or of a receiver or manager of the company's business or undertaking being duly appointed or of possession being taken by or on behalf of the holders of any debentures secured by a floating charge on any property comprised in or subject to the charge, it shall be the duty of the insolvent debtor, personal representative of the deceased debtor or company, as the case may be, or the official assignee or receiver in insolvency, trustee, liquidator, receiver or manager, or person in possession of the property to give, on the request of any person claiming that the insolvent debtor, deceased debtor or company is under such liability to him as is covered by the provision of this Chapter, such information as may reasonably be required by him for the purpose of ascertaining whether any rights have been transferred to and vested in him by section 151 and for the purpose of enforcing such rights, if any, and any such contract of insurance as purports whether directly or indirectly to avoid the contract or to alter the rights of the parties thereunder upon the giving of such information in the events aforesaid, or otherwise to prohibit or prevent the giving thereof in the said events, shall be of no effect.

(3) If, from the information given to any person in pursuance of sub-section (2) or otherwise, he has reasonable ground for supporting that there have or may have been transferred to him under this Chapter rights against any particular insurer, that insurer shall be subject to the same duty as is imposed by the said sub-section on the persons therein mentioned.

(4) The duty to give the information imposed by this section shall include a duty to allow all contracts of insurance, receipts for premiums, and other relevant documents in the possession or power of the person on whom the duty is so imposed to be inspected and copies thereof to be taken.

153. (1) No settlement made by an insurer in respect of any claim which might be made by a third party in respect of any liability of the nature referred to in clause (b) of sub-section (1) of section 147 shall be valid unless such third party is a party to the settlement.

Settlement between insurers and insured persons.

(2) The Claims Tribunal shall ensure that the settlement is *bona fide* and was not made under undue influence and the compensation is made in accordance with the payment schedule referred to in sub-section (1) of section 164.

(3) Where a person who is insured under a policy issued for the purpose of this Chapter has become insolvent, or where, if such insured person is a company, a winding-up order has been made or a resolution for a voluntary winding-up has been passed with respect to the company, no agreement made between the insurer and the insured person after the liability has been incurred to a third party and after the commencement of the insolvency or winding-up, as the case may be, nor any waiver, assignment or other disposition made by or payment made to the insured person after the commencement aforesaid, shall be effective to defeat the rights transferred to the third party under this Chapter; but those rights shall be the same as if no such agreement, waiver, assignment or disposition or payment has been made.

154. (1) For the purposes of sections 151, 152 and 153, a reference to "liabilities to third parties" in relation to a person insured under any policy of insurance shall not include a reference to any liability of that person in the capacity of insurer under some other policy of insurance.

Saving in respect of sections 151, 152 and 153.

(2) The provisions of sections 151, 152 and 153 shall not apply where a company is wound-up voluntarily merely for the purposes of reconstruction or of an amalgamation with another company.

39 of 1925.

155. Notwithstanding anything contained in section 306 of the Indian Succession Act, 1925, the death of a person in whose favour a certificate of insurance had been issued, if it occurs after the happening of an event which has given rise to a claim under the provisions of this Chapter, shall not be a bar to the survival of any cause of action arising out of such event against his estate or against the insurer.

Effect of death on certain causes of action.

156. When an insurer has issued a certificate of insurance in respect of a contract of insurance between the insurer and the insured person, then—

Effect of certificate of insurance.

(a) if and so long as the policy described in the certificate has not been issued by the insurer to the insured, the insurer shall, as between himself and any other person except the insured, be deemed to have issued to the insured person a policy of insurance conforming in all respects with the description and particulars stated in such certificate; and

(b) if the insurer has issued to the insured the policy described in the certificate, but the actual terms of the policy are less favourable to persons claiming under or by virtue of the policy against the insurer either directly or through the insured than the particulars of the policy as stated in the certificate, the policy shall, as between the insurer and any other person except the insured, be deemed to be in terms conforming in all respects with the particulars stated in the said certificate.

157. (1) Where a person, in whose favour the certificate of insurance has been issued in accordance with the provisions of this Chapter, transfers to another person the ownership of the motor vehicle in respect of which such insurance was taken

Transfer of certificate of insurance.

together with the policy of insurance relating thereto, the certificate of insurance and the policy described in the certificate shall be deemed to have been transferred in favour of the person to whom the motor vehicle is transferred with effect from the date of its transfer.

Explanation.—For the removal of doubts, it is hereby clarified that such deemed transfer shall include transfer of rights and liabilities of the said certificate of insurance and policy of insurance.

(2) The transferee shall apply within fourteen days from the date of transfer in the prescribed form to the insurer for making necessary changes in regard to the fact of transfer in the certificate of insurance and the policy described in the certificate in his favour, and the insurer shall make the necessary changes in the certificate and the policy of insurance in regard to the transfer of insurance.

Production of certain certificates, licence and permit in certain cases.

158. (1) Any person driving a motor vehicle in any public place shall, on being so required by a police officer in uniform authorised in this behalf by the State Government, produce—

- (a) the certificate of insurance;
- (b) the certificate of registration;
- (c) the pollution under control certificate;
- (d) the driving licence;
- (e) in the case of a transport vehicle, also the certificate of fitness referred to in section 56, and the permit; and
- (f) any certificate or authorisation of exemption that has been granted under this Act,

relating to the use of the vehicle.

(2) Where, owing to the presence of a motor vehicle in a public place, an accident occurs involving death or bodily injury to another person, if the driver of the vehicle does not at that time produce the required certificate, driving licence and permit referred to in sub-section (1) to a police officer, he or the owner shall produce the said certificates, licence and permit at the police station at which the driver makes the report required by section 134.

(3) No person shall be liable to conviction for offences under sub-section (1) or sub-section (2) by reason of the failure to produce the required certificate if, within seven days from the date on which its production was required under sub-section (1), or as the case may be, from the date of occurrence of the accident, he produces the certificate at such police station as may have been specified by him to the police officer who required its production or, as the case may be, to the police officer at the site of the accident or to the officer-in-charge of the police station at which he reported the accident:

Provided that except to such extent and with such modifications as may be prescribed, the provisions of this sub-section shall not apply to the driver of a transport vehicle.

(4) The owner of a motor vehicle shall give such information as he may be required by or on behalf of a police officer empowered in this behalf by the State Government for the purpose of determining whether the vehicle was or was not being driven in contravention of section 146 and on any occasion when the driver was required under this section to produce the certificate of insurance.

(5) In this section, the expression “produce the certificate of insurance” means production for examination the relevant certificate of insurance or such other evidence

as may be prescribed to prove that the vehicle was not being driven in contravention of section 146.

159. The police officer shall, during the investigation, prepare an accident information report to facilitate the settlement of claim in such form and manner, within three months and containing such particulars and submit the same to the Claims Tribunal and such other agency as may be prescribed.

Information to be given regarding accident.

160. A registering authority or the officer-in-charge of a police station shall, if so required by a person who alleges that he is entitled to claim compensation in respect of an accident arising out of the use of a motor vehicle, or if so required by an insurer against whom a claim has been made in respect of any motor vehicle, furnish to that person or to that insurer, as the case may be, on payment of the prescribed fee, any information at the disposal of the said authority or the said police officer relating to the identification marks and other particulars of the vehicle and the name and address of the person who was using the vehicle at the time of the accident or was injured by it and the property, if any, damaged in such form and within such time as the Central Government may prescribe.

Duty to furnish particulars of vehicle involved in accident.

161. (1) Notwithstanding anything contained in any other law for the time being in force or any instrument having the force of law, the Central Government shall provide for paying in accordance with the provisions of this Act and the scheme made under sub-section (3), compensation in respect of the death of, or grievous hurt to, persons resulting from hit and run motor accidents.

Special provisions as to compensation in case of hit and run motor accident.

(2) Subject to the provisions of this Act and the scheme made under sub-section (3), there shall be paid as compensation,—

(a) in respect of the death of any person resulting from a hit and run motor accident, a fixed sum of two lakh rupees or such higher amount as may be prescribed by the Central Government;

(b) in respect of grievous hurt to any person resulting from a hit and run motor accident, a fixed sum of fifty thousand rupees or such higher amount as may be prescribed by the Central Government.

(3) The Central Government may, by notification in the Official Gazette, make a scheme specifying the manner in which the scheme shall be administered by the Central Government or General Insurance Council, the form, manner and the time within which applications for compensation may be made, the officers or authorities to whom such applications may be made, the procedure to be followed by such officers or authorities for considering and passing orders on such applications, and all other matters connected with, or incidental to, the administration of the scheme and the payment of compensation under this section.

(4) A scheme made under sub-section (3) may provide that,—

(a) a payment of such sum as may be prescribed by the Central Government as interim relief to any claimant under such scheme;

(b) a contravention of any provision thereof shall be punishable with imprisonment which may extend to two years, or with fine which shall not be less than twenty-five thousand rupees but may extend to five lakh rupees or with both;

(c) the powers, functions or duties conferred or imposed on any officer or authority by such scheme may be delegated with the prior approval in writing of Central Government, by such officer or authority to any other officer or authority.

Scheme for golden hour.

162. (1) Notwithstanding anything contained in the General Insurance Companies (Nationalisation) Act, 1972 or any other law for the time being in force or any instrument having the force of law, the insurance companies for the time being carrying on general

insurance business in India shall provide in accordance with the provisions of this Act and the schemes made under this Act for treatment of road accident victims, including during the golden hour.

(2) The Central Government shall make a scheme for the cashless treatment of victims of the accident during the golden hour and such scheme may contain provisions for creation of a fund for such treatment.

Refund in certain cases of compensation paid under section 161.

163. (1) The payment of compensation in respect of the death of, or grievous hurt to, any person under section 161 shall be subject to the condition that if any compensation (hereafter in this sub-section referred to as the other compensation) or other amount in lieu of or by way of satisfaction of a claim for compensation is awarded or paid in respect of such death or grievous hurt under any other provision of this Act or any other law for the time being in force or otherwise, so much of the other compensation or other amount aforesaid as is equal to the compensation paid under section 161, shall be refunded to the insurer.

(2) Before awarding compensation in respect of an accident involving the death of, or bodily injury to, any person arising out of the use of a motor vehicle under any provision of this Act other than section 161 or any other law for the time being in force, the Claims Tribunal, court or other authority awarding such compensation shall verify as to whether in respect of such death or bodily injury compensation has already been paid under section 161 or an application for payment of compensation is pending under that section, and such Tribunal, court or other authority shall—

(a) if compensation has already been paid under section 161, direct the person liable to pay the compensation awarded by it to refund to the insurer, so much thereof as is required to be refunded in accordance with the provisions of sub-section (1);

(b) if an application for payment of compensation is pending under section 161 forward the particulars as to the compensation awarded by it to the insurer.

Explanation.—For the purpose of this sub-section, an application for compensation under section 161 shall be deemed to be pending—

(i) if such application has been rejected, till the date of the rejection of the application; and

(ii) in any other case, till the date of payment of compensation in pursuance of the application.

164. (1) Notwithstanding anything contained in this Act or in any other law for the time being in force or instrument having the force of law, the owner of the motor vehicle or the authorised insurer shall be liable to pay in the case of death or grievous hurt due to any accident arising out of the use of motor vehicle, a compensation, of a sum of five lakh rupees in case of death or of two and a half lakh rupees in case of grievous hurt to the legal heirs or the victim, as the case may be.

(2) In any claim for compensation under sub-section (1), the claimant shall not be required to plead or establish that the death or grievous hurt in respect of which the claim has been made was due to any wrongful act or neglect or default of the owner of the vehicle or of the vehicle concerned or of any other person.

(3) Where, in respect of death or grievous hurt due to an accident arising out of the use of motor vehicle, compensation has been paid under any other law for the time being in force, such amount of compensation shall be reduced from the amount of compensation payable under this section.

Payment of compensation in case of death or grievous hurt, etc.

Scheme for interim relief for claimants.

164A. (1) The Central Government, may make schemes for the provision of interim relief to claimants praying for compensation under this Chapter.

(2) A scheme made under sub-section (1) shall also provide for procedure to recover funds disbursed under such scheme from the owner of the motor vehicle, where the claim arises out of the use of such motor vehicle or other sources as may be prescribed by the Central Government.

164B. (1) The Central Government shall constitute a Fund to be called the Motor Vehicle Accident Fund and thereto shall be credited—

Motor Vehicle
Accident
Fund.

(a) payment of a nature notified and approved by the Central Government;

(b) any grant or loan made to the Fund by the Central Government;

(c) the balance of the Fund created under scheme framed under section 163, as it stood immediately before the commencement of the Motor Vehicles (Amendment) Act, 2019; and

(d) any other source of income as may be prescribed by the Central Government.

(2) The Fund shall be constituted for the purpose of providing compulsory insurance cover to all road users in the territory of India.

(3) The Fund shall be utilised for the following, namely:—

(a) treatment of the persons injured in road accidents in accordance with the scheme framed by the Central Government under section 162;

(b) compensation to representatives of a person who died in hit and run motor accident in accordance with schemes framed under section 161;

(c) compensation to a person grievously hurt in a hit and run motor accident in accordance with schemes framed under section 161; and

(d) compensation to such persons as may be prescribed by the Central Government.

(4) The maximum liability amount that shall be paid in each case shall be such as may be prescribed by the Central Government.

(5) In all cases specified in clause (a) of sub-section (3), when the claim of such person becomes payable, where amount has been paid out of this Fund to any person, the same amount shall be deductible from the claim received by such person from the insurance company.

(6) The Fund shall be managed by such authority or agency as the Central Government may specify having regard to the following:—

(a) knowledge of insurance business of the agency;

(b) capability of the agency to manage funds; and

(c) any other criteria as may be prescribed by the Central Government.

(7) The Central Government shall maintain proper accounts and other relevant records and prepare an annual statement of accounts of the Fund in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(8) The accounts of the Fund shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him.

(9) The Comptroller and Auditor-General of India or any person appointed by him in connection with the audit of the accounts of the Fund under this Act shall have the same rights, privileges and authority in connection with such audit of the Government accounts and, in particular, shall have the right to demand the production

of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Authority.

(10) The accounts of the Fund, as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf, together with the audit report thereon, shall be forwarded annually to the Central Government and the Central Government shall cause the same to be laid before each House of the Parliament.

(11) Any scheme framed under sub-section (3) of section 161, as it stood immediately before the commencement of the Motor Vehicles (Amendment) Act, 2019, shall be discontinued and all rights and liabilities accruing thereunder shall be met out of the Fund with effect from the date of commencement of this Act.

164C. (1) The Central Government may make rules for the purposes of carrying into effect, the provisions of this Chapter.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for—

(a) the forms to be used for the purposes of this Chapter including,—

(i) the form of the insurance policy and the particulars it shall contain as referred to in sub-section (3) of section 147;

(ii) the form for making changes in regard to the fact of transfer in the certificate of insurance under sub-section (2) of section 157;

(iii) the form in which the accident information report may be prepared, the particulars it shall contain, the manner and the time for submitting the report to the Claims Tribunal and the other agency under section 159;

(iv) the form for furnishing information under section 160; and

(v) the form of the annual statement of accounts for the Motor Vehicle Accident Fund under sub-section (7) of section 164B;

(b) the making of applications for and the issue of certificates of insurance;

(c) the issue of duplicates to replace certificates of insurance lost, destroyed or mutilated;

(d) the custody, production, cancellation and surrender of certificates of insurance;

(e) the records to be maintained by insurers of policies of insurance issued under this Chapter;

(f) the identification by certificates or otherwise of persons or vehicles exempted from the provisions of this Chapter;

(g) the furnishing of information respecting policies of insurance by insurers;

(h) adopting the provisions of this Chapter to vehicles brought into India by persons making only a temporary stay therein or to vehicles registered in a reciprocating country and operating on any route or within any area in India by applying those provisions with prescribed modifications;

(i) the requirements which a certificate of insurance is required to comply with as referred to in clause (b) of section 145;

(j) administration of the Fund established under sub-section (3) of section 146;

- (k) the minimum premium and the maximum liability of an insurer under sub-section (2) of section 147;
- (l) the conditions subject to which an insurance policy shall be issued and other matters related thereto as referred to in sub-section (3) of section 147;
- (m) the details of settlement, the time limit for such settlement and the procedure thereof under sub-section (2) of section 149;
- (n) the extent of exemptions and the modifications under the proviso to sub-section (3) of section 158;
- (o) the other evidence under sub-section (5) of section 158;
- (p) such other agency to which the accident information report as referred to in section 159 may be submitted;
- (q) the time limit and fee for furnishing information under section 160;
- (r) the higher amount of compensation in respect of death under clause (a) of sub-section (2) of section 161;
- (s) a sum to be paid as interim relief as referred to in clause (a) of sub-section (4) of section 161;
- (t) the procedure for payment of compensation under sub-section (1) of section 164;
- (u) such other sources from which funds may be recovered for the scheme as referred to in sub-section (2) of section 164A;
- (v) any other source of income that may be credited into the Motor Vehicle Accident Fund under sub-section (1) of section 164B;
- (w) the persons to whom compensation may be paid under clause (d) of sub-section (3) of section 164B;
- (x) the maximum liability amount under sub-section (4) of section 164B;
- (y) the other criteria under clause (c) of sub-section (6) of section 164B;
- (z) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by rules.

164D. (1) The State Government may make rules for the purposes of carrying into effect, the provisions of this Chapter other than the matters specified in section 164C.

Power of State Government to make rules.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for—

- (a) the other authority under sub-section (5) of section 147; and
- (b) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made by rules.”.

52. In section 165 of the principal Act, in the *Explanation*, for the words, figures and letter "section 140 and section 163A", the word and figures "section 164" shall be substituted.

Amendment of section 165.

53. In section 166 of the principal Act,—

(i) in sub-section (1), after the proviso, the following proviso shall be inserted, namely:—

Amendment of section 166.

"Provided further that where a person accepts compensation under section 164 in accordance with the procedure provided under section 149, his claims petition before the Claims Tribunal shall lapse.”.

(ii) in sub-section (2), the proviso shall be omitted;

(iii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) No application for compensation shall be entertained unless it is made within six months of the occurrence of the accident.”.

(iv) in sub-section (4), for the words, brackets and figures "sub-section (6) of section 158", the word and figures "section 159" shall be substituted;

(v) after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) Notwithstanding anything in this Act or any other law for the time being in force, the right of a person to claim compensation for injury in an accident shall, upon the death of the person injured, survive to his legal representatives, irrespective of whether the cause of death is relatable to or had any nexus with the injury or not.”.

54. In section 168 of the principal Act, in sub-section (1),—

(i) for the word and figures “section 162”, the word and figures “section 163” shall be substituted;

(ii) the proviso shall be omitted.

Amendment
of section
168.

Amendment
of section
169.

55. In section 169 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) For the purpose of enforcement of its award, the Claims Tribunal shall also have all the powers of a Civil Court in the execution of a decree under the Code of Civil Procedure, 1908, as if the award were a decree for the payment of money passed by such court in a civil suit.”.

5 of 1908.

56. In section 170 of the principal Act, for the word and figures “section 149” the word and figures “section 150” shall be substituted.

Amendment
of section
170.

57. In section 173 of the principal Act, in sub-section (2), for the words “ten thousand”, the words “one lakh” shall be substituted.

Amendment
of section
173.

58. In section 177 of the principal Act, for the words “one hundred rupees” and “three hundred rupees”, the words “five hundred rupees” and “one thousand and five hundred rupees” shall respectively be substituted.

Amendment
of section
177.

59. After section 177 of the principal Act, the following section shall be inserted, namely:—

Insertion of
section 177A.

“177A. Whoever contravenes the regulations made under section 118, shall be punishable with fine which shall not be less than five hundred rupees, but may extend to one thousand rupees.”.

Penalty for
contravention
of regulations
under section
118.

60. In section 178 of the principal Act, in sub-section (3), in clause (b), for the words “two hundred rupees”, the words “five hundred rupees” shall be substituted.

Amendment
of section
178.

61. In section 179 of the principal Act,—

Amendment
of section
179.

(i) in sub-section (1), for the words “five hundred rupees”, the words “two thousand rupees” shall be substituted;

(ii) in sub-section (2), for the words “five hundred rupees”, the words “two thousand rupees” shall be substituted.

- 62.** In section 180 of the principal Act, for the words "which may extend to one thousand rupees", the words "of five thousand rupees" shall be substituted. Amendment of section 180.
- 63.** In section 181 of the principal Act, for the words "which may extend to five hundred rupees", the words "of five thousand rupees" shall be substituted. Amendment of section 181.
- 64.** In section 182 of the principal Act,— Amendment of section 182.
- (i) in sub-section (1), for the words "which may extend to five hundred rupees", the words "of ten thousand rupees" shall be substituted;
- (ii) in sub-section (2), for the words "one hundred rupees", the words "ten thousand rupees" shall be substituted.
- 65.** For section 182A of the principal Act, the following sections shall be substituted, namely:— Substitution of new section for section 182A.
- "182A. (1) Whoever, being a manufacturer, importer or dealer of motor vehicles, sells or delivers or alters or offers to sell or deliver or alter, a motor vehicle that is in contravention of the provisions of Chapter VII or the rules and regulations made thereunder, shall be punishable with imprisonment for a term which may extend to one year, or with fine of one lakh rupees per such motor vehicle or with both: Punishment for offences relating to construction, maintenance, sale and alteration of motor vehicles and components.
- Provided that no person shall be convicted under this section if he proves that, at the time of sale or delivery or alteration or offer of sale or delivery or alteration of such motor vehicle, he had disclosed to the other party the manner in which such motor vehicle was in contravention of the provisions of Chapter VII or the rules and regulations made thereunder.
- (2) Whoever, being a manufacturer of motor vehicles, fails to comply with the provisions of Chapter VII or the rules and regulations made thereunder, shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to one hundred crore rupees or with both.
- (3) Whoever, sells or offers to sell, or permits the sale of any component of a motor vehicle which has been notified as a critical safety component by the Central Government and which does not comply with Chapter VII or the rules and regulations made thereunder shall be punishable with imprisonment for a term which may extend to one year or with fine of one lakh rupees per such component or with both.
- (4) Whoever, being the owner of a motor vehicle, alters a motor vehicle, including by way of retrofitting of motor vehicle parts, in a manner not permitted under the Act or the rules and regulations made thereunder shall be punishable with imprisonment for a term which may extend to six months, or with fine of five thousand rupees per such alteration or with both.
- 182B. Whoever contravenes the provisions of section 62A, shall be punishable with fine which shall not be less than five thousand rupees, but may extend to ten thousand rupees." Punishment for contravention of section 62A.
- 66.** In section 183 of the principal Act,— Amendment of section 183.
- (i) in sub-section (1),—
- (a) after the words "Whoever drives", the words "or causes any person who is employed by him or subjects someone under his control to drive" shall be inserted;
- (b) for the words "with fine which extend to four hundred rupees, or, if having been previously convicted of an offence under this sub-section is again

convicted of an offence under this sub-section, with fine which may extend to one thousand rupees", the following shall be substituted, namely:—

“in the following manner, namely:—

(i) where such motor vehicle is a light motor vehicle with fine which shall not be less than one thousand rupees but may extend to two thousand rupees;

(ii) where such motor vehicle is a medium goods vehicle or a medium passenger vehicle or a heavy goods vehicle or a heavy passenger vehicle with fine which shall not be less than two thousand rupees, but may extend to four thousand rupees; and

(iii) for the second or any subsequent offence under this sub-section the driving licence of such driver shall be impounded as per the provisions of the sub-section (4) of section 206.”.

(ii) sub-section (2) shall be omitted.

(iii) in sub-section (3), after the word "mechanical", the words "or electronic" shall be inserted.

(iv) in sub-section (4), for the word, brackets and figure “sub-section (2)”, the word, brackets and figure “sub-section (1)” shall be substituted.

67. In section 184 of the principal Act,—

(i) after the words “dangerous to the public”, the words “or which causes a sense of alarm or distress to the occupants of the vehicle, other road users, and persons near roads,” shall be inserted;

(ii) for the words “which may extend to six months or with fine which may extend to one thousand rupees”, the words “which may extend to one year but shall not be less than six months or with fine which shall not be less than one thousand rupees but may extend to five thousand rupees, or with both” shall be substituted;

(iii) for the words “which may extend to two thousand rupees”, the words “of ten thousand rupees” shall be substituted;

(iv) the following *Explanation* shall be inserted, namely:—

“*Explanation.*—For the purpose of this section,—

(a) jumping a red light;

(b) violating a stop sign;

(c) use of handheld communications devices while driving;

(d) passing or overtaking other vehicles in a manner contrary to law;

(e) driving against the authorised flow of traffic; or

(f) driving in any manner that falls far below what would be expected of a competent and careful driver and where it would be obvious to a competent and careful driver that driving in that manner would be dangerous,

shall amount to driving in such manner which is dangerous to the public.”.

68. In section 185 of the principal Act,—

(i) in clause (a), after the words “breath analyser,”, the words “or in any other test including a laboratory test,” shall be inserted;

(ii) for the words "which may extend to two thousand rupees", the words "of ten thousand rupees" shall be substituted;

(iii) the words "if committed within three years of the commission of the previous similar offence," shall be omitted;

(iv) for the words "which may extend to three thousand rupees", the words "of fifteen thousand rupees" shall be substituted;

(v) for the *Explanation*, the following *Explanation* shall be substituted, namely:—

'Explanation.—For the purposes of this section, the expression "drug" means any intoxicant other than alcohol, natural or synthetic, or any natural material or any salt, or preparation of such substance or material as may be notified by the Central Government under this Act and includes a narcotic drug and psychotropic substance as defined in clause (xiv) and clause (xxiii) of section 2 of the Narcotic Drugs and Psychotropic Substances Act, 1985.'

61 of 1985.

69. In section 186 in the principal Act, for the words "two hundred rupees" and "five hundred rupees", the words "one thousand rupees" and "two thousand rupees" shall respectively be substituted.

Amendment
of section
186.

70. In section 187 of the principal Act,—

Amendment
of section
187.

(i) for the brackets and letter "(c)" the brackets and letter "(a)" shall be substituted;

(ii) for the words "three months", the words "six months" shall be substituted;

(iii) for the words "which may extend to five hundred rupees", the words "of five thousand rupees" shall be substituted;

(iv) for the words "six months", the words "one year" shall be substituted; and

(v) for the words "which may extend to one thousand rupees", the words "of ten thousand rupees" shall be substituted.

71. In section 189 of the principal Act,—

Amendment
of section
189.

(i) for the words "one month", the words "three months" shall be substituted;

(ii) for the words "which may extend to five hundred rupees", the words "of five thousand rupees" shall be substituted;

(iii) after the words "with both", the words, "and for a subsequent offence shall be punishable with imprisonment for a term which may extend to one year, or with fine of ten thousand rupees; or with both." shall be inserted.

72. In section 190 of the principal Act,—

Amendment
of section
190.

(i) in sub-section (1),—

(a) for the words "which may extend to two hundred and fifty rupees", the words "of one thousand five hundred rupees" shall be substituted;

(b) for the words "which may extend to one thousand rupees", the words "of five thousand rupees" shall be substituted; and

(c) after the words "with both", the words "and for a subsequent offence shall be punishable with imprisonment for a term which may extend to six months, or with a fine of ten thousand rupees for bodily injury or damage to property" shall be inserted.

(ii) in sub-section (2),—

(a) for the words "a fine of one thousand rupees", the words "imprisonment for a term which may extend to three months, or with fine which may extend to

ten thousand rupees or with both and he shall be disqualified for holding licence for a period of three months” shall be substituted; and

(b) for the words “a fine of two thousand rupees”, the words “imprisonment for a term which may extend to six months, or with fine which may extend to ten thousand rupees or with both” shall be substituted;

(iii) in sub-section (3),—

(a) for the words “which may extend to three thousand rupees”, the words “with a fine of ten thousand rupees and he shall be disqualified for holding licence for a period of three months” shall be substituted; and

(b) for the words “which may extend to five thousand rupees”, the words “of twenty thousand rupees” shall be substituted.

Omission of section 191.

73. Section 191 of the principal Act shall be omitted.

Amendment of section 192.

74. In section 192 of the principal Act, the following *Explanation* shall be inserted, namely:—

“*Explanation*.—Use of a motor vehicle in contravention of the provisions of section 56 shall be deemed to be a contravention of the provisions of section 39 and shall be punishable in the same manner as provided in sub-section (1).”.

Amendment of section 192A.

75. In section 192A of the principal Act, in sub-section (1),—

(i) after the words “for the first offence with”, the words “imprisonment for a term which may extend to six months and” shall be inserted;

(ii) for the words “which may extend to five thousand rupees but shall not be less than two thousand rupees”, the words “of ten thousand rupees” shall be substituted;

(iii) for the words “three months”, the words “six months” shall be substituted;

(iv) for the words “which may extend to ten thousand rupees but shall not be less than five thousand rupees”, the words “of ten thousand rupees” shall be substituted.

Insertion of new section 192B.

76. After section 192A of the principal Act, the following section shall be inserted, namely:—

Offences relating to registration.

“192B. (1) Whoever, being the owner of a motor vehicle, fails to make an application for registration of such motor vehicle under sub-section (1) of section 41 shall be punishable with fine of five times the annual road tax or one-third of the lifetime tax of the motor vehicle whichever is higher.

(2) Whoever, being a dealer, fails to make an application for the registration of a new motor vehicle under the second proviso to sub-section (1) of section 41 shall be punishable with fine of fifteen times the annual road tax or the lifetime tax of the motor vehicle whichever is higher.

(3) Whoever, being the owner of a motor vehicle, obtains a certificate of registration for such vehicle on the basis of documents which were, or by representation of facts which was, false in any material particular, or the engine number or the chassis number embossed thereon are different from such number entered in the certificate of registration shall be punishable with imprisonment for a term which shall not be less than six months but may extend to one year and with fine equal to ten times the amount of the annual road tax or two-third the lifetime tax of the motor vehicle, whichever is higher.

(4) Whoever, being a dealer, obtains a certificate of registration for such vehicle on the basis of documents which were, or by representation of facts which was, false in any material particular, or the engine number or the chassis number embossed thereon are different from such number entered in the certificate of registration shall be punishable with imprisonment for a term which shall not be less than six months but may extend to one year and with fine equal to ten times the amount of annual road tax or two-third the lifetime tax of the motor vehicle, whichever is higher.”.

77. In the principal Act,—

(A) in section 193, in the marginal heading, for the words "agents and canvassers", the words "agents, canvassers and aggregators" shall be substituted;

(B) section 193 shall be numbered as sub-section (*I*) thereof, and—

(i) in sub-section (*I*) as so numbered,—

(a) for the words “which may extend to one thousand rupees”, the words “of one thousand rupees” shall be substituted;

(b) for the words “which may extend to two thousand rupees”, the words “of two thousand rupees” shall be substituted;

(ii) after sub-section (*I*) as so numbered, the following sub-sections shall be inserted, namely:—

“(2) Whoever engages himself as an aggregator in contravention of the provisions of section 93 or of any rules made thereunder shall be punishable with fine up to one lakh rupees but shall not be less than twenty-five thousand rupees.

(3) Whoever, while operating as an aggregator contravenes a condition of the licence granted under sub-section (*I*) of section 93, not designated by the State Government as a material condition, shall be punishable with fine of five thousand rupees.”.

78. In section 194 of the principal Act,—

(i) in sub-section (*I*),—

(a) the word “minimum” shall be omitted;

(b) for the words “of two thousand rupees and an additional amount of one thousand rupees per tonne of excess load”, the words “of twenty thousand rupees and an additional amount of two thousand rupees per tonne of excess load” shall be substituted;

(c) the following proviso shall be inserted, namely:—

“Provided that such motor vehicle shall not be allowed to move before such excess load is removed or is caused or allowed to be removed by the person in control of such motor vehicle.”;

(ii) after sub-section (*I*), the following sub-section shall be inserted, namely:—

“(IA) Whoever drives a motor vehicle or causes or allows a motor vehicle to be driven when such motor vehicle is loaded in such a manner that the load or any part thereof or anything extends laterally beyond the side of the body or to the front or to the rear or in height beyond the permissible limit shall be punishable with a fine of twenty thousand rupees, together with the liability to pay charges for off-loading of such load:

Provided that such motor vehicle shall not be allowed to move before such load is arranged in a manner such that there is no extension of the load

Amendment
of section
193.

Amendment
of section
194.

laterally beyond the side of the body or to the front or to the rear or in height beyond the permissible limit:

Provided further that nothing in this sub-section shall apply when such motor vehicle has been given an exemption by the competent authority authorised in this behalf, by the State Government or the Central Government, allowing the carriage of a particular load. ";

(iii) in sub-section (2), for the words, "which may extend to three thousand rupees", the words "of forty thousand rupees" shall be substituted.

79. After section 194 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 194A, 194B, 194C, 194D, 194E and 194F.

Carriage of excess passengers.

Use of safety belts and the seating of children.

Penalty for violation of safety measures for motor cycle drivers and pillion riders.

Penalty for not wearing protective headgear.

Failure to allow free passage to emergency vehicles.

Use of horns and silence zones.

"194A. Whoever drives a transport vehicle or causes or allows a transport vehicle to be driven while carrying more passengers than is authorised in the registration certificate of such transport vehicle or the permit conditions applicable to such transport vehicle shall be punishable with a fine of two hundred rupees per excess passenger:

Provided that such transport vehicle shall not be allowed to move before the excess passengers are off-loaded and an alternative transport is arranged for such passengers.

194B. (I) Whoever drives a motor vehicle without wearing a safety belt or carries passengers not wearing seat belts shall be punishable with a fine of one thousand rupees:

Provided that the State Government, may by notification in the Official Gazette, exclude the application of this sub-section to transport vehicles to carry standing passengers or other specified classes of transport vehicles.

(2) Whoever drives a motor vehicle or causes or allows a motor vehicle to be driven with a child who, not having attained the age of fourteen years, is not secured by a safety belt or a child restraint system shall be punishable with a fine of one thousand rupees.

194C. Whoever drives a motor cycle or causes or allows a motor cycle to be driven in contravention of the provisions of section 128 or the rules or regulations made thereunder shall be punishable with a fine of one thousand rupees and he shall be disqualified for holding licence for a period of three months.

194D. Whoever drives a motor cycle or causes or allows a motor cycle to be driven in contravention of the provisions of section 129 or the rules or regulations made thereunder shall be punishable with a fine of one thousand rupees and he shall be disqualified for holding licence for a period of three months.

194E. Whoever while driving a motor vehicle fails to draw to the side of the road, on the approach of a fire service vehicle or of an ambulance or other emergency vehicle as may be specified by the State Government, shall be punishable with imprisonment for a term which may extend to six months, or with a fine of ten thousand rupees or with both.

194F. Whoever—

(a) while driving a motor vehicle—

(i) sounds the horn needlessly or continuously or more than necessary to ensure safety, or

(ii) sounds the horn in an area with a traffic sign prohibiting the use of a horn, or

(b) drives a motor vehicle which makes use of a cut-out by which exhaust gases are released other than through the silencer,

shall be punishable with a fine of one thousand rupees and for a second or subsequent offence with a fine of two thousand rupees.”.

80. Section 195 of the principal Act shall be omitted.

Omission of section 195.

81. In section 196 of the principal Act,—

Amendment of section 196.

(i) after the words “shall be punishable”, the words “for the first offence” shall be inserted;

(ii) for the words “which may extend to one thousand rupees”, the words “of two thousand rupees,” shall be substituted; and

(iii) after the words “with both”, the words ”, and for a subsequent offence shall be punishable with imprisonment for a term which may extend to three months, or with fine of four thousand rupees, or with both.” shall be inserted.

82. In section 197 of the principal Act,—

Amendment of section 197.

(i) in sub-section (1), for the words “which may extend to five hundred rupees”, the words “of five thousand rupees” shall be substituted;

(ii) in sub-section (2), for the words “which may extend to five hundred rupees”, the words “of five thousand rupees” shall be substituted.

83. In section 198 of the principal Act, for the words “with fine which may extend to one hundred rupees”, the words “with fine of one thousand rupees” shall be substituted.

Amendment of section 198.

84. After section 198 of the principal act, the following section shall be inserted, namely:—

Insertion of new section 198A

'198A. (1) Any designated authority, contractor, consultant or concessionaire responsible for the design or construction or maintenance of the safety standards of the road shall follow such design, construction and maintenance standards, as may be prescribed by the Central Government from time to time.

Failure to comply with standards for road design, construction and maintenance.

(2) Where failure on the part of the designated authority, contractor, consultant or concessionaire responsible under sub-section (1) to comply with standards for road design, construction and maintenance, results in death or disability, such authority or contractor or concessionaire shall be punishable with a fine which may extend to one lakh rupees and the same shall be paid to the Fund constituted under section 164B.

(3) For the purposes of sub-section (2), the court shall in particular have regard to the following matters, namely:—

(a) the characteristics of the road, and the nature and type of traffic which was reasonably expected to use it as per the design of road;

(b) the standard of maintenance norms applicable for a road of that character and use by such traffic;

- (c) the state of repair in which road users would have expected to find the road;
- (d) whether the designated authority responsible for the maintenance of the road knew, or could reasonably have been expected to know, that the condition of the part of the road to which the action relates was likely to cause danger to the road users;
- (e) whether the designated authority responsible for the maintenance of the road could not reasonably have been expected to repair that part of the road before the cause of action arose;
- (f) whether adequate warning notices through road signs, of its condition had been displayed; and
- (g) such other matters as may be prescribed by the Central Government.

Explanation.—For the purposes of this section, the term “contractor” shall include sub-contractors and all such persons who are responsible for any stage in the design, construction and maintenance of a stretch of road.’.

85. After section 199 of the principal Act, the following sections shall be inserted, namely:—

Insertion of
new sections
199A and
199B.

Offences by
juveniles.

“199A. (1) Where an offence under this Act has been committed by a juvenile, the guardian of such juvenile or the owner of the motor vehicle shall be deemed to be guilty of the contravention and shall be liable to be proceeded against and punished accordingly:

Provided that nothing in this sub-section shall render such guardian or owner liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

Explanation.—For the purposes of this section, the Court shall presume that the use of the motor vehicle by the juvenile was with the consent of the guardian of such juvenile or the owner of the motor vehicle, as the case may be.

(2) In addition to the penalty under sub-section (1), such guardian or owner shall be punishable with imprisonment for a term which may extend to three years and with a fine of twenty-five thousand rupees.

(3) The provisions of sub-section (1) and sub-section (2) shall not apply to such guardian or owner if the juvenile committing the offence had been granted a learner's licence under section 8 or a driving licence and was operating a motor vehicle which such juvenile was licensed to operate.

(4) Where an offence under this Act has been committed by a juvenile, the registration of the motor vehicle used in the commission of the offence shall be cancelled for a period of twelve months.

(5) Where an offence under this Act has been committed by a juvenile, then, notwithstanding section 4 or section 7, such juvenile shall not be eligible to be granted a driving licence under section 9 or a learner's licence under section 8 until such juvenile has attained the age of twenty-five years.

(6) Where an offence under this Act has been committed by a juvenile, then such juvenile shall be punishable with such fines as provided in the Act while any custodial sentence may be modified as per the provisions of the Juvenile Justice Act, 2000.

199B. The fines as provided in this Act shall be increased by such amount not exceeding ten per cent. in value of the existing fines, on an annual basis on 1st day of April of each year from the date of commencement of the Motor Vehicles (Amendment) Act, 2019, as may be notified by the Central Government.”.

Revision of fines.

86. In section 200 of the principal Act,—

(i) in sub-section (1),—

(a) for the words, figures and brackets “punishable under section 177, section 178, section 179, section 180, section 181, section 182, sub-section (1) or sub-section (2) of section 183, section 184, section 186, section 189, sub-section (2) of section 190, section 191, section 192, section 194, section 196, or section 198,”, the words, brackets, figures and letters “punishable under section 177, section 178, section 179, section 180, section 181, section 182, sub-section (1) or sub-section (3) or sub-section (4) of section 182A, section 182B, sub-section (1) or sub-section (2) of section 183, section 184 only to the extent of use of handheld communication devices, section 186, section 189, sub-section (2) of section 190, section 192, section 192A, section 194, section 194A, section 194B, section 194C, section 194D, section 194E, section 194F, section 196, section 198,” shall be substituted;

Amendment of section 200.

(b) the following proviso shall be inserted, namely:—

“Provided that the State Government may, in addition to such amount, require the offender to undertake a period of community service.”;

(ii) after sub-section (2), the following provisos shall be inserted, namely:—

“Provided that notwithstanding compounding under this section, such offence shall be deemed to be a previous commission of the same offence for the purpose of determining whether a subsequent offence has been committed:

Provided further that compounding of an offence will not discharge the offender from proceedings under sub-section (4) of section 206 or the obligation to complete a driver refresher training course, or the obligation to complete community service, if applicable.”.

87. In section 201 of the principal Act,—

(i) in sub-section (1),—

Amendment of section 201.

(a) the word “disabled” shall be omitted;

(b) for the words “fifty rupees per hour”, the words “five hundred rupees” shall be substituted;

(c) in the second proviso, for the words “a Government Agency, towing charges”, the words “an agency authorised by the Central Government or State Government, removal charges” shall be substituted;

(ii) in sub-section (2), for the words “towing charges”, the words “removal charges” shall be substituted;

(iii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) sub-section (1) shall not apply where the motor vehicle has suffered an unforeseen breakdown and is in the process of being removed.”;

(iv) after sub-section (3), the following *Explanation* shall be inserted, namely:—

'Explanation.—For the purposes of this section, “removal charges” includes any costs involved in the removal of the motor vehicle from one location to another and also includes any costs related to storage of such motor vehicle.'

Amendment
of section
206.

88. In section 206 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) A police officer or other person authorised in this behalf by the State Government shall, if he has reason to believe that the driver of a motor vehicle has committed an offence under any of sections 183, 184, 185, 189, 190, 194C, 194D, or 194E, seize the driving licence held by such driver and forward it to the licensing authority for disqualification or revocation proceedings under section 19:

Provided that the person seizing the licence shall give to the person surrendering the licence a temporary acknowledgement therefor, but such acknowledgement shall not authorise the holder to drive until the licence has been returned to him.”.

Insertion of
new sections
210A, 210B,
210C and
210D.

Power of State
Government
to increase
penalties.

Penalty for
offence
committed by
an enforcing
authority.

Power of
Central
Government
to make rules.

Power of State
Government
to make rules.

Insertion of
new section
211A.

Use of
electronic
forms and
documents.

89. After section 210 of the principal Act, the following sections shall be inserted, namely:—

“210A. Subject to conditions made by the Central Government, a State Government, shall, by notification in the Official Gazette, specify a multiplier, not less than one and not greater than ten, to be applied to each fine under this Act and such modified fine, shall be in force in such State and different multipliers may be applied to different classes of motor vehicles as may be classified by the State Government for the purpose of this section.

210B. Any authority that is empowered to enforce the provisions of this Act shall, if such authority commits an offence under this Act, shall be liable for twice the penalty corresponding to that offence under this Act.

210C. The Central Government may make rules for—

(a) design, construction and maintenance standards for National highways;

(b) such other factors as may be taken into account by the Court under sub-section (3) of section 198A;

(c) any other matter which is, or has to be, prescribed by the Central Government.

210D. The State Government may make rules for design, construction and maintenance standards for roads other than national highways, and for any other matter which is, or may be, prescribed by the State Government.”.

90. After section 211 of the principal Act, the following section shall be inserted, namely:—

“211A. (I) Where any provision of this Act or the rules and regulations made thereunder provide for—

(a) the filing of any form, application or any other document with any office, authority, body or agency owned or controlled by the Central Government or the State Government in a particular manner;

(b) the issue or grant of any licence, permit, sanction, approval or endorsement, by whatever name called in a particular manner; or

(c) the receipt or payment of money in a particular manner,

then notwithstanding anything contained in such provision, such requirement shall be deemed to have been satisfied if such filing, issue, grant, receipt or payment, as the case may be, is effected by means of such electronic form as may be prescribed by the Central Government or the State Government, as the case may be.

(2) The Central Government or the State Government shall, for the purpose of sub-section (1), prescribe—

(a) the manner and format in which such electronic forms and documents shall be filed, created or issued; and

(b) the manner or method of payment of any fee or charges for filing, creation or issue of any electronic document under clause (a).”.

91. In section 212 of the principal Act,—

(i) in sub-section (4),—

(a) after the words, brackets and figures “the proviso to sub-section (1) of section 112”, the word and figures “section 118” shall be inserted;

(b) after the words, brackets, figures and letter “sub-section (4) of section 163A”, the words, figures and letter “section 164, section 177A” shall be inserted;

(ii) after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) Every notification issued by the State Government under section 210A shall be laid, as soon as may be after it is made, before each House of the State Legislature where it consists of two Houses, or where such Legislature consists of one House, before that House, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, the House agrees or both Houses agree, as the case may be, in making any modification in the notification or the House agrees or both Houses agree, as the case may be, that the notification should not be issued, the notification shall thereafter have effect only in such modified form or be of no effect as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that notification.”.

92. After section 215 of the principal Act, the following sections shall be inserted, namely:—

Amendment
of section
212.

Insertion of
new sections
215A, 215B,
215C and
215D.

“215A. Notwithstanding anything contained in this Act,—

(a) the Central Government shall have the power to delegate any power or functions that have been conferred upon it by the Act to any public servant or public authority and authorise such public servant or public authority to discharge any of its powers, functions and duties under this Act;

(b) the State Government shall have the power to delegate any power or functions that have been conferred upon it by the Act to any public servant or public authority and authorise such public servant or public authority to discharge any of its powers, functions and duties under this Act.

215B. (1) The Central Government shall, by notification in the Official Gazette, constitute a National Road Safety Board consisting of a Chairman, such number of representatives from the State Governments, and such other members as it may consider necessary and on such terms and conditions as may be prescribed by the Central Government.

Power of
Central
Government
and State
Government
to delegate.

National Road
Safety Board.

(2) The National Board shall render advice to the Central Government or State Government, as the case may be, on all aspects pertaining to road safety and traffic management including, but not limited to,—

- (a) the standards of design, weight, construction, manufacturing process, operation and maintenance of motor vehicles and of safety equipment;
- (b) the registration and licensing of motor vehicles;
- (c) the formulation of standards for road safety, road infrastructure and control of traffic;
- (d) the facilitation of safe and sustainable utilisation of road transport ecosystem;
- (e) the promotion of new vehicle technology;
- (f) the safety of vulnerable road users;
- (g) programmes for educating and sensitising drivers and other road users; and
- (h) such other functions as may be prescribed by the Central Government from time to time.

Power of
Central
Government
to make rules.

215C. (1) The Central Government may make rules for the purposes of carrying into effect the provisions of this Chapter.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for—

- (a) the use of electronic forms and means for the filing of documents, issue or grant of licence, permit, sanction, approval or endorsements and the receipt or payment of money as referred to in section 211A;
- (b) the minimum qualifications which the Motor Vehicles Department officers or any class thereof shall be required to possess for appointment as such, as referred to in sub-section (4) of section 213;
- (c) the terms and conditions of appointment of Chairman and Members of the National Road Safety Board under sub-section (1) of section 215B;
- (d) the other functions of the National Road Safety Board under sub-section (2) of section 215B; and
- (e) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made by rules by the Central Government.

Power of State
Government
to make rules.

215D. (1) The State Government may make rules for the purposes of carrying into effect, the provisions of this Chapter, other than the matters specified in section 215C.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for—

- (a) the use of electronic forms and means for the filing of documents, issue or grant of licence, permit, sanction, approval or endorsements and the receipt or payment of money as referred to in section 211A;
- (b) the duties and functions of the officers of the Motor Vehicle Department, the powers to be exercised by such officers (including the powers exercisable by police officers under this Act) and the conditions governing the exercise of such powers, the uniform to be worn by them, the authorities to which they shall be subordinate as referred to in sub-section (3) of section 213;
- (c) such other powers as may be exercised by officers of the Motor Vehicles Department as referred to in clause (f) of sub-section (5) of section 213; and

(d) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made by rules by the State Government.”.

93. In the principal Act, the Second Schedule shall be omitted.

Omission of
Second
Schedule.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

New Delhi, the 9th August, 2019

The following Act of Parliament received the assent of the President on the 9th August, 2019, and is hereby re-published for general information:—

THE ARBITRATION AND CONCILIATION (AMENDMENT) ACT, 2019.

NO. 33 OF 2019

An Act further to amend the Arbitration and Conciliation Act, 1996.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

1. (1) This Act may be called the Arbitration and Conciliation (Amendment) Act, 2019.

Short title and commencement.

(2) Save as otherwise provided in this Act, it shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

26 of 1996.

2. In the Arbitration and Conciliation Act, 1996 (hereinafter referred to as the principal Act), in section 2,—

Amendment of section 2.

(i) in sub-section (1),—

(A) after clause (c), the following clause shall be inserted, namely:—

‘(ca) “arbitral institution” means an arbitral institution designated by the Supreme Court or a High Court under this Act;’;

(B) after clause (h), the following clauses shall be inserted, namely:—

‘(i) “prescribed” means prescribed by rules made under this Act;

 (j) “regulations” means the regulations made by the Council under this Act.’;

(ii) in sub-section (2), in the proviso, for the word, brackets and letter “clause (a)”, the word, brackets and letter “clause (b)” shall be substituted.

3. In section 11 of the principal Act,—

(i) after sub-section (3), the following sub-section shall be inserted, namely:—

“(3A) The Supreme Court and the High Court shall have the power to designate, arbitral institutions, from time to time, which have been graded by the Council under section 43-I, for the purposes of this Act:

Provided that in respect of those High Court jurisdictions, where no graded arbitral institution are available, then, the Chief Justice of the concerned High Court may maintain a panel of arbitrators for discharging the functions and duties of arbitral institution and any reference to the arbitrator shall be deemed to be an arbitral institution for the purposes of this section and the arbitrator appointed by a party shall be entitled to such fee at the rate as specified in the Fourth Schedule:

Provided further that the Chief Justice of the concerned High Court may, from time to time, review the panel of arbitrators.”;

(ii) in sub-section (4), in the long line, for the portion beginning with “the appointment shall be made” and ending with “designated by such Court”, the following shall be substituted, namely:—

“the appointment shall be made, on an application of the party, by the arbitral institution designated by the Supreme Court, in case of international commercial arbitration, or by the High Court, in case of arbitrations other than international commercial arbitration, as the case may be”;

(iii) in sub-section (5), for the portion beginning with “the appointment shall be made” and ending with “designated by such Court”, the following shall be substituted, namely:—

“the appointment shall be made on an application of the party in accordance with the provisions contained in sub-section (4)”;

(iv) in sub-section (6), in the long line, for the portion beginning with “party may request” and ending with “designated by such Court”, the following shall be substituted, namely:—

“the appointment shall be made, on an application of the party, by the arbitral institution designated by the Supreme Court, in case of international commercial arbitration, or by the High Court, in case of arbitrations other than international commercial arbitration, as the case may be”;

(v) sub-sections (6A) and (7) shall be omitted;

(vi) in sub-section (8), for the words “The Supreme Court or, as the case may be, the High Court or the person or institution designated by such Court”, the words, brackets and figures “The arbitral institution referred to in sub-sections (4), (5) and (6)” shall be substituted;

(vii) in sub-section (9), for the words “the Supreme Court or the person or institution designated by that Court”, the words “the arbitral institution designated by the Supreme Court” shall be substituted;

(viii) sub-section (10) shall be omitted;

Amendment
of section 11.

(ix) for sub-sections (11) to (14), the following sub-sections shall be substituted, namely:—

“(11) Where more than one request has been made under sub-section (4) or sub-section (5) or sub-section (6) to different arbitral institutions, the arbitral institution to which the request has been first made under the relevant sub-section shall be competent to appoint.

(12) Where the matter referred to in sub-sections (4), (5), (6) and (8) arise in an international commercial arbitration or any other arbitration, the reference to the arbitral institution in those sub-sections shall be construed as a reference to the arbitral institution designated under sub-section (3A).

(13) An application made under this section for appointment of an arbitrator or arbitrators shall be disposed of by the arbitral institution within a period of thirty days from the date of service of notice on the opposite party.

(14) The arbitral institution shall determine the fees of the arbitral tribunal and the manner of its payment to the arbitral tribunal subject to the rates specified in the Fourth Schedule.

*Explanation.—*For the removal of doubts, it is hereby clarified that this sub-section shall not apply to international commercial arbitration and in arbitrations (other than international commercial arbitration) where parties have agreed for determination of fees as per the rules of an arbitral institution.”.

4. In section 17 of the principal Act, in sub-section (1), the words and figures “or at any time after the making of the arbitral award but before it is enforced in accordance with section 36” shall be omitted. Amendment of section 17.

5. In section 23 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:— Amendment of section 23.

“(4) The statement of claim and defence under this section shall be completed within a period of six months from the date the arbitrator or all the arbitrators, as the case may be, received notice, in writing, of their appointment.”.

6. In section 29A of the principal Act,— Amendment of section 29A.

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) The award in matters other than international commercial arbitration shall be made by the arbitral tribunal within a period of twelve months from the date of completion of pleadings under sub-section (4) of section 23:

Provided that the award in the matter of international commercial arbitration may be made as expeditiously as possible and endeavour may be made to dispose of the matter within a period of twelve months from the date of completion of pleadings under sub-section (4) of section 23.”;

(b) in sub-section (4), after the proviso, the following provisos shall be inserted, namely:—

“Provided further that where an application under sub-section (5) is pending, the mandate of the arbitrator shall continue till the disposal of the said application:

Provided also that the arbitrator shall be given an opportunity of being heard before the fees is reduced.”.

7. In section 34 of the principal Act, in sub-section (2), in clause (a), for the words “furnishes proof that”, the words “establishes on the basis of the record of the arbitral tribunal that” shall be substituted. Amendment of section 34.

8. In section 37 of the principal Act, in sub-section (1), for the words “An appeal”, the words “Notwithstanding anything contained in any other law for the time being in force, an appeal” shall be substituted. Amendment of section 37.

Insertion of
new sections
42A and 42B.

9. After section 42 of the principal Act, the following sections shall be inserted, namely:—

Confidentiality
of
information.

“42A. Notwithstanding anything contained in any other law for the time being in force, the arbitrator, the arbitral institution and the parties to the arbitration agreement shall maintain confidentiality of all arbitral proceedings except award where its disclosure is necessary for the purpose of implementation and enforcement of award.

Protection of
action taken
in good faith.

42B. No suit or other legal proceedings shall lie against the arbitrator for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.”.

Insertion of
new Part.

10. After Part I of the principal Act, the following Part shall be inserted, namely:—

Definitions.

43A. In this Part, unless the context otherwise requires,—

(a) “Chairperson” means the Chairperson of the Arbitration Council of India appointed under clause (a) of sub-section (1) of section 43C;

(b) “Council” means the Arbitration Council of India established under section 43B;

(c) “Member” means a Member of the Council and includes the Chairperson.

Establishment
and
incorporation
of Arbitration
Council of
India.

43B. (1) The Central Government shall, by notification in the Official Gazette, establish, for the purposes of this Act, a Council to be known as the Arbitration Council of India to perform the duties and discharge the functions under this Act.

(2) The Council shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to enter into contract, and shall, by the said name, sue or be sued.

(3) The head office of the Council shall be at Delhi.

(4) The Council may, with the prior approval of the Central Government, establish offices at other places in India.

Composition
of Council.

43C. (1) The Council shall consist of the following Members, namely:—

(a) a person, who has been, a Judge of the Supreme Court or, Chief Justice of a High Court or, a Judge of a High Court or an eminent person, having special knowledge and experience in the conduct or administration of arbitration, to be appointed by the Central Government in consultation with the Chief Justice of India—Chairperson;

(b) an eminent arbitration practitioner having substantial knowledge and experience in institutional arbitration, both domestic and international, to be nominated by the Central Government—Member;

(c) an eminent academician having experience in research and teaching in the field of arbitration and alternative dispute resolution laws, to be appointed by the Central Government in consultation with the Chairperson—Member;

(d) Secretary to the Government of India in the Department of Legal Affairs, Ministry of Law and Justice or his representative not below the rank of Joint Secretary—Member, *ex officio*;

(e) Secretary to the Government of India in the Department of Expenditure, Ministry of Finance or his representative not below the rank of Joint Secretary–Member, *ex officio*;

(f) one representative of a recognised body of commerce and industry, chosen on rotational basis by the Central Government–Part-time Member; and

(g) Chief Executive Officer-Member-Secretary, *ex officio*.

(2) The Chairperson and Members of the Council, other than *ex officio* Members, shall hold office as such, for a term of three years from the date on which they enter upon their office:

Provided that no Chairperson or Member, other than *ex officio* Member, shall hold office as such after he has attained the age of seventy years in the case of Chairperson and sixty-seven years in the case of Member.

(3) The salaries, allowances and other terms and conditions of the Chairperson and Members referred to in clauses (b) and (c) of sub-section (1) shall be such as may be prescribed by the Central Government.

(4) The Part-time Member shall be entitled to such travelling and other allowances as may be prescribed by the Central Government.

43D. (1) It shall be the duty of the Council to take all such measures as may be necessary to promote and encourage arbitration, mediation, conciliation or other alternative dispute resolution mechanism and for that purpose to frame policy and guidelines for the establishment, operation and maintenance of uniform professional standards in respect of all matters relating to arbitration.

Duties and functions of Council.

(2) For the purposes of performing the duties and discharging the functions under this Act, the Council may—

(a) frame policies governing the grading of arbitral institutions;

(b) recognise professional institutes providing accreditation of arbitrators;

(c) review the grading of arbitral institutions and arbitrators;

(d) hold training, workshops and courses in the area of arbitration in collaboration of law firms, law universities and arbitral institutes;

(e) frame, review and update norms to ensure satisfactory level of arbitration and conciliation;

(f) act as a forum for exchange of views and techniques to be adopted for creating a platform to make India a robust centre for domestic and international arbitration and conciliation;

(g) make recommendations to the Central Government on various measures to be adopted to make provision for easy resolution of commercial disputes;

(h) promote institutional arbitration by strengthening arbitral institutions;

(i) conduct examination and training on various subjects relating to arbitration and conciliation and award certificates thereof;

(j) establish and maintain depository of arbitral awards made in India;

(k) make recommendations regarding personnel, training and infrastructure of arbitral institutions; and

(l) such other functions as may be decided by the Central Government.

Vacancies,
etc., not to
invalidate
proceedings of
Council.

Resignation
of Members.

Removal of
Member.

Appointment
of experts and
constitution of
Committees
thereof.

General norms
for grading of
arbitral
institutions.

Norms for
accreditation.

Depository of
awards.

43E. No act or proceeding of the Council shall be invalid merely by reason of—
 (a) any vacancy or any defect, in the constitution of the Council;
 (b) any defect in the appointment of a person acting as a Member of the Council; or
 (c) any irregularity in the procedure of the Council not affecting the merits of the case.

43F. The Chairperson or the Full-time or Part-time Member may, by notice in writing, under his hand addressed to the Central Government, resign his office:

Provided that the Chairperson or the Full-time Member shall, unless he is permitted by the Central Government to relinquish his office sooner, continue to hold office until the expiry of three months from the date of receipt of such notice or until a person duly appointed as his successor enters upon his office or until the expiry of his term of office, whichever is earlier.

43G. (1) The Central Government may, remove a Member from his office if he—
 (a) is an undischarged insolvent; or
 (b) has engaged at any time (except Part-time Member), during his term of office, in any paid employment; or
 (c) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude; or
 (d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a Member; or
 (e) has so abused his position as to render his continuance in office prejudicial to the public interest; or
 (f) has become physically or mentally incapable of acting as a Member.

(2) Notwithstanding anything contained in sub-section (1), no Member shall be removed from his office on the grounds specified in clauses (d) and (e) of that sub-section unless the Supreme Court, on a reference being made to it in this behalf by the Central Government, has, on an inquiry, held by it in accordance with such procedure as may be prescribed in this behalf by the Supreme Court, reported that the Member, ought on such ground or grounds to be removed.

43H. The Council may, appoint such experts and constitute such Committees of experts as it may consider necessary to discharge its functions on such terms and conditions as may be specified by the regulations.

43-I. The Council shall make grading of arbitral institutions on the basis of criteria relating to infrastructure, quality and calibre of arbitrators, performance and compliance of time limits for disposal of domestic or international commercial arbitrations, in such manner as may be specified by the regulations.

43J. The qualifications, experience and norms for accreditation of arbitrators shall be such as specified in the Eighth Schedule:

Provided that the Central Government may, after consultation with the Council, by notification in the Official Gazette, amend the Eighth Schedule and thereupon, the Eighth Schedule shall be deemed to have been amended accordingly.

43K. The Council shall maintain an electronic depository of arbitral awards made in India and such other records related thereto in such manner as may be specified by the regulations.

43L. The Council may, in consultation with the Central Government, make regulations, consistent with the provisions of this Act and the rules made thereunder, for the discharge of its functions and perform its duties under this Act.

Power to make regulations by Council.

43M. (1) There shall be a Chief Executive Officer of the Council, who shall be responsible for day-to-day administration of the Council.

Chief Executive Officer.

(2) The qualifications, appointment and other terms and conditions of the service of the Chief Executive Officer shall be such as may be prescribed by the Central Government.

(3) The Chief Executive Officer shall discharge such functions and perform such duties as may be specified by the regulations.

(4) There shall be a Secretariat to the Council consisting of such number of officers and employees as may be prescribed by the Central Government.

(5) The qualifications, appointment and other terms and conditions of the service of the employees and other officers of the Council shall be such as may be prescribed by the Central Government.’.

11. In section 45 of the principal Act, for the words “unless it finds”, the words “unless it *prima facie* finds”, shall be substituted.

Amendment of section 45.

12. In section 50 of the principal Act, in sub-section (1), for the words “An appeal”, the words “Notwithstanding anything contained in any other law for the time being in force, an appeal” shall be substituted.

Amendment of section 50.

13. After section 86 of the principal Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 23rd October, 2015, namely:—

Insertion of new section 87.

“87. Unless the parties otherwise agree, the amendments made to this Act by the Arbitration and Conciliation (Amendment) Act, 2015 shall—

Effect of arbitral and related court proceedings commenced prior to 23rd October, 2015.

(a) not apply to—

(i) arbitral proceedings commenced before the commencement of the Arbitration and Conciliation (Amendment) Act, 2015;

(ii) court proceedings arising out of or in relation to such arbitral proceedings irrespective of whether such court proceedings are commenced prior to or after the commencement of the Arbitration and Conciliation (Amendment) Act, 2015;

(b) apply only to arbitral proceedings commenced on or after the commencement of the Arbitration and Conciliation (Amendment) Act, 2015 and to court proceedings arising out of or in relation to such arbitral proceedings.”.

Insertion of new Schedule.

14. After the Seventh Schedule to the principal Act, the following Schedule shall be inserted, namely:—

“THE EIGHTH SCHEDULE

(See section 43J)

Qualifications and Experience of Arbitrator

A person shall not be qualified to be an arbitrator unless he—

25 of 1961.

(i) is an advocate within the meaning of the Advocates Act, 1961 having ten years of practice experience as an advocate; or

38 of 1949.

(ii) is a chartered accountant within the meaning of the Chartered Accountants Act, 1949 having ten years of practice experience as a chartered accountant; or

(iii) is a cost accountant within the meaning of the Cost and Works Accountants Act, 1959 having ten years of practice experience as a cost accountant; or

23 of 1959.

(iv) is a company secretary within the meaning of the Company Secretaries Act, 1980 having ten years of practice experience as a company secretary; or

56 of 1980.

(v) has been an officer of the Indian Legal Service; or

(vi) has been an officer with law degree having ten years of experience in the legal matters in the Government, Autonomous Body, Public Sector Undertaking or at a senior level managerial position in private sector; or

(vii) has been an officer with engineering degree having ten years of experience as an engineer in the Government, Autonomous Body, Public Sector Undertaking or at a senior level managerial position in private sector or self-employed; or

(viii) has been an officer having senior level experience of administration in the Central Government or State Government or having experience of senior level management of a Public Sector Undertaking or a Government company or a private company of repute;

(ix) is a person, in any other case, having educational qualification at degree level with ten years of experience in scientific or technical stream in the fields of telecom, information technology, Intellectual Property Rights or other specialised areas in the Government, Autonomous Body, Public Sector Undertaking or a senior level managerial position in a private sector, as the case may be.

General norms applicable to Arbitrator

(i) The arbitrator shall be a person of general reputation of fairness, integrity and capable to apply objectivity in arriving at settlement of disputes;

(ii) the arbitrator must be impartial and neutral and avoid entering into any financial business or other relationship that is likely to affect impartiality or might reasonably create an appearance of partiality or bias amongst the parties;

(iii) the arbitrator should not involve in any legal proceeding and avoid any potential conflict connected with any dispute to be arbitrated by him;

(iv) the arbitrator should not have been convicted of an offence involving moral turpitude or economic offence;

(v) the arbitrator shall be conversant with the Constitution of India, principles of natural justice, equity, common and customary laws, commercial laws, labour laws, law of torts, making and enforcing the arbitral awards;

(vi) the arbitrator should possess robust understanding of the domestic and international legal system on arbitration and international best practices in regard thereto;

(vii) the arbitrator should be able to understand key elements of contractual obligations in civil and commercial disputes and be able to apply legal principles to a situation under dispute and also to apply judicial decisions on a given matter relating to arbitration; and

(viii) the arbitrator should be capable of suggesting, recommending or writing a reasoned and enforceable arbitral award in any dispute which comes before him for adjudication.”.

15. Section 26 of the Arbitration and Conciliation (Amendment) Act, 2015 shall be omitted and shall be deemed to have been omitted with effect from the 23rd October, 2015.

16. In the Fourth Schedule to the principal Act, for the brackets, words and figures “[*See section 11 (14)*]”, the brackets, words, figures and letter “[*See section 11 (3A)*]” shall be substituted.

Amendment
to Fourth
Schedule.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

New Delhi, the 9th August, 2019

The following Act of Parliament received the assent of the President on the 9th August, 2019, and is hereby re-published for general information:—

THE JAMMU AND KASHMIR REORGANISATION ACT, 2019.

NO. 34 of 2019

An Act to provide for the reorganisation of the existing State of Jammu and Kashmir and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

PART-I

PRELIMINARY

1. This Act may be called the Jammu and Kashmir Reorganisation Act, 2019. Short title.

2. In this Act, unless the context otherwise requires,— Definitions.

(a) “appointed day” means the day which the Central Government may, by notification in the Official Gazette, appoint;

(b) “article” means an article of the Constitution;

(c) “assembly constituency” and “parliamentary constituency” have the same meanings as in the Representation of the People Act, 1950 (43 of 1950);

(d) “Election Commission” means the Election Commission appointed by the President under article 324;

(e) “existing State of Jammu and Kashmir” means the State of Jammu and Kashmir as existing immediately before the appointed day, comprising the territory which immediately before the commencement of the Constitution of India in the Indian State of Jammu and Kashmir;

(f) “law” includes any enactment, ordinance, regulation, order, bye-law, rule, scheme, notification or other instrument having, immediately before the appointed day, the force of law in the whole or in any part of the existing State of Jammu and Kashmir;

(g) “Legislative Assembly” means Legislative Assembly of Union territory of Jammu and Kashmir;

(h) “Lieutenant Governor” means the Administrator of the Union territory appointed by the President under article 239;

(i) “notified order” means an order published in the Official Gazette;

(j) “population ratio”, in relation to the Union territory of Jammu and Kashmir, and Union territory of Ladakh means the ratio as per 2011 Census;

(k) “Scheduled Castes” in relation to the Union territory means such castes, races or tribes or parts of groups within such castes, races or tribes as are deemed under article 341 to be Scheduled Castes in relation to that Union territory;

(l) “Scheduled Tribes” in relation to the Union territory means such tribes or tribal communities or parts of or groups within such tribes or tribal communities as are deemed under article 342 to be Scheduled Tribes in relation to that Union territory;

(m) “sitting member”, in relation to either House of Parliament or of the Legislature of the existing State of Jammu and Kashmir, means a person who immediately before the appointed day, is a member of that House;

(n) “Union territory”, in relation to the existing State of Jammu and Kashmir, means the Union territory of Jammu and Kashmir or Union territory of Ladakh, as the case may be;

(o) “transferred territory” means the territory which on the appointed day is transferred from the existing State of Jammu and Kashmir to Union territories formed under sections 3 and 4 of this Act; and

(p) any reference to a district, tehsil or other territorial division of the existing State of Jammu and Kashmir shall be construed as a reference to the area comprised within that territorial division on the appointed day.

PART II

REORGANISATION OF THE STATE OF JAMMU AND KASHMIR

Formation of
Union
territory of
Ladakh
without
Legislature.

3. On and from the appointed day, there shall be formed a new Union territory to be known as the Union territory of Ladakh comprising the following territories of the existing State of Jammu and Kashmir, namely:—

“Kargil and Leh districts”,

and thereupon the said territories shall cease to form part of the existing State of Jammu and Kashmir.

Formation of
Union territory
of Jammu and
Kashmir with
Legislature.

4. On and from the appointed day, there shall be formed a new Union territory to be known as the Union territory of Jammu and Kashmir comprising the territories of the existing State of Jammu and Kashmir other than those specified in section 3.

Governor of
existing State
of Jammu and
Kashmir to be
common
Lieutenant
Governor.

5. On and from the appointed day, the Governor of the existing State of Jammu and Kashmir shall be the Lieutenant Governor for the Union territory of Jammu and Kashmir, and Union territory of Ladakh for such period as may be determined by the President.

6. On and from the appointed day, in the First Schedule to the Constitution, under the heading—“I. THE STATES”,—

- (a) entry 15 shall be deleted.
- (b) entries from 16 to 29 shall be renumbered as 15 to 28.
- (c) under the heading —“II. UNION TERRITORIES”,—

after entry 7, the following entries shall be inserted, namely:—

“8. Jammu and Kashmir: The territories specified in section 4 of the Jammu and Kashmir Reorganization Act, 2019”.

“9. Ladakh: The territories specified in section 3 of the Jammu and Kashmir Reorganization Act, 2019”.

7. Nothing in the foregoing provisions of this Part shall be deemed to affect the power of the Government of successor Union territory of Jammu and Kashmir to alter, after the appointed day, the name, area or boundaries of any district or other territorial division in that Union territory.

Amendment of First Schedule to the Constitution.

Saving powers of the Government of Union territory of Jammu and Kashmir.

PART III

REPRESENTATION IN THE LEGISLATURES

The Council of States

8. On and from the appointed day, in the Fourth Schedule to the Constitution, in the Table,—

- (a) entry 21 shall be deleted;
- (b) entries 22 to 31 shall be renumbered as entries 21 to 30, respectively;
- (c) after entry 30, the following entry shall be inserted, namely:—

“31. Jammu and Kashmir 4”

9. (1) On and from the appointed day, four sitting members of the Council of States representing the existing State of Jammu and Kashmir shall be deemed to have been elected to fill the seats allotted to the Union territory of Jammu and Kashmir, as specified in the First Schedule to this Act.

(2) The term of office of such sitting members shall remain unaltered.

Amendment of Fourth Schedule to Constitution

Allocation of sitting members.

The House of the People

10. On and from the appointed day, there shall be allocated five seats to the successor Union territory of Jammu and Kashmir and one seat to Union territory of Ladakh, in the House of the People, and the First Schedule to the Representation of the People Act, 1950 (43 of 1950) shall be deemed to be amended accordingly.

Representation in House of the People.

11. (1) On and from the appointed day, the Delimitation of Parliamentary Constituencies Order, 1976 shall stand amended as directed in the Second Schedule of this Act.

Delimitation of Parliamentary Constituencies.

(2) The Election Commission may conduct the elections to the House of the People for the Union territory of Jammu and Kashmir and Union territory of Ladakh as per the allocation of seats specified in the Delimitation of Parliamentary Constituencies Order, 1976 as amended by this Act.

Provision as to sitting members.

12. (1) Every sitting member of the House of the People representing a constituency which, on the appointed day by virtue of the provisions of section 10, stands allotted, with or without alteration of boundaries, to the successor Union territory of Jammu and Kashmir or Union territory of Ladakh, as the case may be, shall be deemed to have been elected to the House of the People by that constituency as so allotted.

(2) The term of office of such sitting members shall remain unaltered.

The Lieutenant Governor and The Legislative Assembly of Union territory of Jammu and Kashmir

Applicability of article 239A of Constitution.

Legislative Assembly for the Union Territory of Jammu and Kashmir and its composition.

13. On and from the appointed day, the provisions contained in article 239A, which are applicable to “Union territory of Puducherry”, shall also apply to the “Union territory of Jammu and Kashmir”.

14. (1) There shall be an Administrator appointed under article 239 of the Constitution of India for the Union territory of Jammu and Kashmir and shall be designated as Lieutenant Governor of the said Union territory.

(2) There shall be a Legislative Assembly for the Union territory of Jammu and Kashmir.

(3) The total number of seats in the Legislative Assembly of the Union territory of Jammu and Kashmir to be filled by persons chosen by direct election shall be 107.

(4) Notwithstanding anything contained in sub-section (3), until the area of the Union territory of Jammu and Kashmir under the occupation of Pakistan ceases to be so occupied and the people residing in that area elect their representatives—

(a) twenty four seats in the Legislative Assembly of Union territory of Jammu and Kashmir shall remain vacant and shall not be taken into account for reckoning the total membership of the Assembly; and

(b) the said area and seats shall be excluded in delimiting the territorial constituencies as provided under PART V of this Act.

(5) On and from the appointed day, the Delimitation of Assembly Constituencies Order, 1995, as applicable to Union territory of Jammu and Kashmir, shall stand amended as directed in the Third Schedule of this act.

(6) Seats shall be reserved for the Scheduled Castes and the Scheduled Tribes in the Legislative Assembly of the Union territory of Jammu and Kashmir.

(7) The number of seats reserved for the Scheduled Castes and the Scheduled Tribes in the Legislative Assembly of the Union territory of Jammu and Kashmir under sub-section (6) shall bear, as nearly as may be, the same proportion to the total number of seats in the Assembly as the population of the Scheduled Castes in the Union territory of Jammu and Kashmir or of the Scheduled Tribes in the Union territory of Jammu and Kashmir, in respect of which seats are so reserved, bears to the total population of the Union territory of Jammu and Kashmir.

Explanation: In this sub-section, the expression “population” means the population as ascertained at the last preceding census of which the relevant figures have been published:

Provided that the reference in this Explanation to the last preceding census of which the relevant figures have been published shall, until the relevant figures for the first census taken after the year 2026 have been published, be construed as a reference to the 2011 census.

(8) Notwithstanding anything in sub-section (6), the reservation of seats for the Scheduled Castes or Scheduled Tribes in the Legislative Assembly of the Union territory of Jammu and Kashmir shall cease to have effect on the same date on which the reservation of seats for the Scheduled Castes or the Scheduled Tribes in the House of the People shall cease to have effect under article 334 of the Constitution of India:

(9) In the Second Schedule to the Representation of the People Act, 1950, under the heading :—“I. THE STATES.” 43 of 1950.

“(a) entry 10 shall be deleted”.

“(b) entries 11 to 29 shall be renumbered as 10 to 28”.

43 of 1950.

(10) In the Second Schedule to the Representation of the People Act, 1950 , under the heading :—“II. Union Territories”

(a) after entry 4, the following entries shall be inserted, namely:—

1	2	3	4	5	6	7
“5. Jammu and Kashmir	83	6	83	6”

(11) The provisions of articles 324 to 327 and 329 of the Constitution of India, shall apply in relation to the Union territory of Jammu and Kashmir, the Legislative Assembly and the members thereof as they apply, in relation to a State, the Legislative Assembly of a State and the members thereof respectively; and any reference in articles 326 and 329 to “appropriate Legislature” shall be deemed to be a reference to Parliament.

15. Notwithstanding anything in sub-section (3) of section 14 the Lieutenant Governor of the successor Union territory of Jammu and Kashmir may nominate two members to the Legislative Assembly to give representation to women, if in his opinion, women are not adequately represented in the Legislative Assembly.

Representation of women.

16. A person shall not be qualified to be chosen to fill a seat in the Legislative Assembly unless he—

(a) is a citizen of India and makes and subscribes before some person authorised in that behalf by the Election Commission an oath or affirmation according to the form set out for the purpose in the Fourth Schedule of this Act;

Qualification for membership of Legislative Assembly.

(b) is not less than twenty-five years of age; and

(c) Possesses such other qualifications as may be prescribed in that behalf by or under any law made by the Parliament.

17. The Legislative Assembly, unless sooner dissolved, shall continue for five years from the date appointed for its first meeting and no longer, and the expiration of the said period of five years shall operate as a dissolution of the Legislative Assembly:

Duration of Legislative Assembly.

Provided that the said period may, while a Proclamation of Emergency issued under clause (1) of article 352 is in operation, be extended by the President by order for a period not exceeding one year at a time and not extending in any case beyond a period of six months after the Proclamation has ceased to operate.

18. (1) The Lieutenant Governor shall, from time to time, summon the Legislative Assembly to meet at such time and place as he thinks fit, but six months shall not intervene between its last sitting in one session and the date appointed for its first sitting in the next session.

Sessions of Legislative Assembly, prorogation and dissolution.

(2) The Lieutenant Governor may, from time to time,—

(a) prorogue the House;

(b) dissolve the Legislative Assembly.

19. (1) Legislative Assembly shall, as soon as may be, choose two members of the Assembly to be respectively Speaker and Deputy Speaker thereof and, so often as the office of Speaker or Deputy Speaker becomes vacant, the Assembly shall choose another member to be Speaker or Deputy Speaker, as the case may be.

Speaker and Deputy Speaker of Legislative Assembly.

(2) A member holding office as Speaker or Deputy Speaker of the Assembly—

(a) shall vacate his office if he ceases to be a member of the Assembly;

(b) may at any time by writing under his hand addressed, if such member is the Speaker, to the Deputy Speaker, and if such member is the Deputy Speaker, to the Speaker, resign his office;

(c) may be removed from his office by a resolution of the Assembly passed by a majority of all the then members of the Assembly:

Provided that no resolution for the purpose of clause (c) shall be moved unless at least fourteen days' notice has been given of the intention to move the resolution:

Provided further that, whenever the Assembly is dissolved, the Speaker shall not vacate his office until immediately before the first meeting of the Assembly after the dissolution.

(3) While the office of Speaker is vacant, the duties of the office shall be performed by the Deputy Speaker or, if the office of Deputy Speaker is also vacant, by such member of the Legislative Assembly as may be determined by the rules of procedure of the Assembly.

(4) During the absence of the Speaker from any sitting of the Legislative Assembly, the Deputy Speaker, or, if he is also absent, such person as may be determined by the rules of procedure of the Assembly, or, if no such person is present, such other person as may be determined by the Legislative Assembly, shall act as Speaker.

(5) There shall be paid to the Speaker and the Deputy Speaker of the Legislative Assembly, such salaries and allowances as may respectively be fixed by the Legislative Assembly of the Union territory of Jammu and Kashmir by law and, until provision in that behalf is so made, such salaries and allowances as the Lieutenant Governor may, by order determine.

Speaker or
Deputy
Speaker not to
preside while a
resolution for
his removal
from office is
under
consideration.

20. (1) At any sitting of the Legislative Assembly, while any resolution for the removal of the Speaker from his office is under consideration, the Speaker, or while any resolution for the removal of the Deputy Speaker, from his office is under consideration, the Deputy Speaker, shall not, though he is present, preside, and the provisions of sub-section (4) of section 19 shall apply in relation to every such sitting as they apply in relation to a sitting from which the Speaker or, as the case may be, the Deputy Speaker, is absent.

(2) The Speaker shall have the right to speak in, and otherwise to take part in the proceedings of, the Legislative Assembly while any resolution for his removal from office is under consideration in the Assembly and shall, notwithstanding anything in section 25, be entitled to vote only in the first instance on such resolution or on any other matter during such proceedings but not in the case of an equality of votes.

Special address
by Lieutenant
Governor to
Legislative
Assembly.

21. (1) At the commencement of the first session after each general election to the Legislative Assembly and at the commencement of the first session of each year, the Lieutenant Governor shall address the Legislative Assembly, and shall inform the Legislative Assembly of the causes of its summons.

(2) Provision shall be made by the rules regulating the procedure of the Legislative Assembly for the allotment of time for the discussion of matters referred to in such address.

Rights of
Ministers and
Advocate
General as
respects
Legislative
Assembly.

22. Every Minister and the Advocate-General for the Union territory of Jammu and Kashmir shall have the right to speak in, and otherwise to take part in the proceedings of, the Legislative Assembly, and to speak in, and otherwise to take part in the proceedings of, any committee of the Legislative Assembly of which he may be named a member, but shall not by virtue of this section be entitled to vote.

Rights of
Lieutenant
Governor to
address and
send messages
to the
Legislative
Assembly.

23. (1) The Lieutenant Governor may address the Legislative Assembly and may for that purpose require the attendance of members.

(2) The Lieutenant Governor may also send messages to the Legislative Assembly whether with respect to a Bill then pending in the Legislative Assembly or otherwise, and when a message so sent, the Legislative Assembly shall with all convenient despatch consider any matter required by the message to be taken into consideration.

24. Every member of the Legislative Assembly shall, before taking his seat, make and subscribe before the Lieutenant Governor of the said Union territory, or some person appointed in that behalf by him, an oath or affirmation according to the form set out for the purpose in the Fourth Schedule of this Act.

Oath or affirmation by members.

25. (1) Save as otherwise provided in this Act, all questions at any sitting of the Legislative Assembly shall be determined by a majority of votes of the members present and voting, other than the Speaker or person acting as such.

Voting in Assembly, power of Assembly to act notwithstanding vacancies and quorum.

(2) The Speaker, or person acting as such, shall not vote in the first instance, but shall have and exercise a casting vote in the case of an equality of votes.

(3) The Legislative Assembly shall have power to act notwithstanding any vacancy in the membership thereof, and any proceedings in the Legislative Assembly shall be valid notwithstanding that it is discovered subsequently that some person who was not entitled so to do, sat or voted or otherwise took part in the proceedings.

(4) The quorum to constitute a meeting of the Legislative Assembly shall be ten members or one-tenth of the total number of members of the Legislative Assembly, which ever is greater.

(5) If at any time during a meeting of the Legislative Assembly there is no quorum, it shall be the duty of the Speaker, or person acting as such, either to adjourn the Legislative Assembly or to suspend the meeting until there is a quorum.

26. (1) No person shall be a member both of Parliament and of the Legislative Assembly, and if a person is chosen a member both of Parliament and of such Assembly, then, at the expiration of such period as may be specified in the rules made by the President, that person's seat in Parliament shall become vacant, unless he has previously resigned his seat in the Legislative Assembly of the said Union territory.

Vacation of seats.

(2) If a member of the Legislative Assembly—

(a) becomes subject to any of disqualification mentioned in section 27 or section 28 for membership of the Legislative Assembly; or

(b) resigns his seat by writing under his hand addressed to the Speaker, and his resignation is accepted by the Speaker,

his seat shall thereupon become vacant.

(3) If for a period of sixty days a member of the Legislative Assembly is without permission of the Assembly absent from all meetings thereof, the Assembly may declare his seat vacant:

Provided that in computing the said period of sixty days, no account shall be taken of any period during which the Assembly is prorogued or is adjourned for more than four consecutive days.

27. (1) A person shall be disqualified for being chosen as, and for being, a member of the Legislative Assembly—

Disqualifications for membership.

(a) if he holds any office of profit under the Government of India or the Government of any State or the Government of Union territory of Jammu and Kashmir or the Government or administration of any other Union territory or other than an office declared by law made by Parliament or by the Legislative Assembly not to disqualify its holder; or

(b) if he is for the time being disqualified for being chosen as, and for being, a member of either House of Parliament under the provisions of sub-clause (b), sub-clause (c) or sub-clause (d) of clause (1) of article 102 or of any law made in pursuance of that article.

(2) For the purposes of this section, a person shall not be deemed to hold an office of profit under the Government of India or the Government of any State or the Government of

Union Territory of Jammu and Kashmir or the Government of any other Union territory by reason only that he is a Minister either for the Union or for such State or Union territory.

(3) If any question arises as to whether a member of the Legislative Assembly becomes subject to any of disqualification under the provisions of sub-sections (1) and (2), the question shall be referred for the decision of the Lieutenant Governor and his decision shall be final.

(4) Before giving any decision on any such question, the Lieutenant Governor shall obtain the opinion of the Election Commission and shall act according to such opinion.

Disqualification
on ground of
defection for
being a
member.

28. The provisions of the Tenth Schedule to the Constitution shall, subject to the necessary modifications (including modifications for construing references therein to the Legislative Assembly of a State, article 188, article 194 and article 212 as references, respectively, to the Legislative Assembly of Union territory of Jammu and Kashmir, as the case may be, section 24, section 30 and section 50 of this Act), apply to and in relation to the members of the Legislative Assembly of Union territory of Jammu and Kashmir as they apply to and in relation to the members of the Legislative Assembly of a State, and accordingly,—

(a) the said Tenth Schedule as so modified shall be deemed to form part of this Act; and

(b) a person shall be disqualified for being a member of the Legislative Assembly if he is so disqualified under the said Tenth Schedule as so modified.

Penalty for
sitting and
voting before
making oath
or affirmation
or when not
qualified or
when
disqualified.

29. If a person sits or votes as a member of the Legislative Assembly before he has complied with the requirements of section 24 or when he knows that he is not qualified or that he is disqualified for membership thereof, or that he is prohibited from doing so by the provisions of any law made by Parliament or the Legislative Assembly of the Union territory of Jammu and Kashmir, he shall be liable in respect of each day on which he so sits or votes to a penalty of five hundred rupees to be recovered as a debt due to the said Union territory.

Powers,
privileges,
etc., of
members.

30. (1) Subject to the provisions of this Act and to the rules and standing orders regulating the procedure of the Legislative Assembly, there shall be freedom of speech in the Legislative Assembly.

(2) No member of the Legislative Assembly shall be liable to any proceedings in any court in respect of anything said or any vote given by him in the Assembly or any committee thereof, and no person shall be so liable in respect of the publication by or under the authority of such Assembly of any report, paper, votes or proceedings.

(3) In other respects, the powers, privileges and immunities of the Legislative Assembly and of the members and the committees thereof shall be such as are for the time being enjoyed by the House of the People and its members and committees.

(4) The provisions of sub-sections (1), (2) and (3) shall apply in relation to persons who by virtue of this Act have the right to speak in, and otherwise to take part in the proceedings of, the Legislative Assembly or any committee thereof as they apply in relation to members of the Legislative Assembly.

Salaries and
allowances of
members.

31. Members of the Legislative Assembly shall be entitled to receive such salaries and allowances as may from time to time be determined by the Legislative Assembly by law and, until provision in that behalf is so made, such salaries and allowances as the Lieutenant Governor may, by order determine.

Extent of
legislative
power.

32. (1) Subject to the provisions of this Act, the Legislative Assembly may make laws for the whole or any part of the Union territory of Jammu and Kashmir with respect to any of the matters enumerated in the State List except the subjects mentioned at entries 1 and 2, namely “Public Order” and “Police” respectively or the Concurrent List in the Seventh

Schedule to the Constitution of India in so far as any such matter is applicable in relation to the Union territories.

(2) Nothing in sub-section (1) shall derogate from the powers conferred on Parliament by the Constitution to make laws with respect to any matter for the Union territory of Jammu and Kashmir or any part thereof.

33. The property of the Union shall, save in so far as Parliament may by law otherwise provide, be exempted from all taxes imposed by or under any law made by the Legislative Assembly or by or under any other law in force in the Union territory of Jammu and Kashmir:

Provided that nothing in this section shall, until Parliament by law otherwise provides, prevent any authority within the Union territory of Jammu and Kashmir from levying any tax on any property of the Union to which such property was immediately before the commencement of the Constitution liable or treated as liable, so long as that tax continues to be levied in that Union territory.

34. (1) The provisions of article 286, article 287 and article 288 shall apply in relation to any law passed by the Legislative Assembly with respect to any of the matters referred to in those articles as they apply in relation to any law passed by the Legislature of a State with respect to those matters.

(2) The provisions of article 304 shall, with the necessary modifications, apply in relation to any law passed by the Legislative Assembly with respect to any of the matters referred to in that article as they apply in relation to any law passed by the Legislature of a State with respect to those matters.

35. If any provision of a law made by the Legislative Assembly with respect to matters enumerated in the State List, in the Seventh Schedule to the Constitution is repugnant to any provision of a law made by Parliament with respect to that matter, whether passed before or after the law made by the Legislative Assembly, or, if any provision of a law made by the Legislative Assembly with respect to any matter enumerated in the Concurrent List in the Seventh Schedule to the Constitution is repugnant to any provision of any earlier law, other than a law made by the Legislative Assembly, with respect to that matter, then, in either case, the law made by Parliament, or, as the case may be, such earlier law shall prevail and the law made by the Legislative Assembly of the Union territory shall, to the extent of the repugnancy, be void:

Provided that if such law made by the Legislative Assembly has been reserved for the consideration of the President and has received his assent, such law shall prevail in the Union territory of Jammu & Kashmir:

Provided further that nothing in this section shall prevent Parliament from enacting at any time any law with respect to the same matter including a law adding to, amending, varying or repealing the law so made by the Legislative Assembly.

36. (1) A Bill or amendment shall not be introduced into, or moved in, the Legislative Assembly except on the recommendation of the Lieutenant Governor, if such Bill or Amendment makes provision for any of the following matters, namely:—

(a) the imposition, abolition, remission, alteration or regulation of any tax;

(b) the amendment of the law with respect to any financial obligations undertaken or to be undertaken by the Government of the Union territory;

(c) the appropriation of moneys out of the Consolidated Fund of the Union territory;

(d) the declaring of any expenditure to be expenditure charged on the Consolidated Fund of the Union territory or the increasing of the amount of any such expenditure;

Exemption of property of the Union from taxation.

Restrictions on laws passed by Legislative Assembly with respect to certain matters.

Inconsistency between laws made by Parliament and laws made by Legislative Assembly.

Special provisions as to financial Bills.

(e) the receipt of money on account of the Consolidated Fund of the Union territory or the public account of the Union territory or the custody or issue of such money or the audit of the account of the Union territory:

Provided that no recommendation shall be required under this sub-section for the moving of an amendment making provision for the reduction or abolition of any tax.

(2) A Bill or Amendment shall not be deemed to make provision for any of the matters aforesaid by reason only that it provides for the imposition of fines or other pecuniary penalties, or for the demand or payment of fees for licences or fees for services rendered, or by reason that it provides for the imposition, abolition, remission, alteration or regulation of any tax by any local authority or body for local purposes.

(3) A Bill which, if enacted and brought into operation, would involve expenditure from the Consolidated Fund of Union territory shall not be passed by the Legislative Assembly of the Union territory unless the Lieutenant Governor has recommended to the Assembly, the consideration of the Bill.

Procedure as to lapsing of Bills.

37. (1) A Bill pending in the Legislative Assembly shall not lapse by reason of the prorogation of the Legislative Assembly.

(2) A Bill which is pending in the Legislative Assembly shall lapse on dissolution of the Legislative Assembly.

Assent to Bills.

38. When a Bill has been passed by the Legislative Assembly, it shall be presented to the Lieutenant Governor and the Lieutenant Governor shall declare either that he assents to the Bill or that he withdraws assent therefrom or that he reserves the Bill for the consideration of the President:

Provided that the Lieutenant Governor may, as soon as possible after the presentation of the Bill to him for assent, return the Bill if it is not a Money Bill together with a message requesting that the Assembly will reconsider the Bill or any specified provisions thereof, and, in particular, will consider the desirability of introducing any such amendments as he may recommend in his message and, when a Bill is so returned, the Assembly will reconsider the Bill accordingly, and if the Bill is passed again with or without amendment and presented to the Lieutenant Governor for assent, the Lieutenant Governor shall declare either that he assents to the Bill or that he reserves the Bill for the consideration of the President:

Provided further that the Lieutenant Governor shall not assent to, but shall reserve for the consideration of the President, any Bill which,—

(a) in the opinion of the Lieutenant Governor would, if it became law, so derogate from the powers of the High Court as to endanger the position which that Court is, by the Constitution, designed to fill; or

(b) relates to any of the matters specified in clause (I) of article 31A; or

(c) the President may, by order, direct to be reserved for his consideration.

Explanation.—For the purposes of this section and section 39, a Bill shall be deemed to be a Money Bill if it contains only provisions dealing with all or any of the matters specified in sub-section (1) of section 36 or any matter incidental to any of those matters and, in either case, there is endorsed thereon the certificate of the Speaker of the Legislative Assembly signed by him that it is a Money Bill.

Bills reserved for consideration.

39. When a Bill is reserved by Lieutenant Governor for the consideration of the President, the President shall declare either that he assents to the Bill or that he withdraws assent therefrom:

Provided that where the Bill is not a Money Bill, the President may direct the Lieutenant Governor to return the Bill to the Legislative Assembly together with such a message as is mentioned in the first proviso to section 38 and, when a Bill is so

returned, the Assembly shall reconsider it accordingly within a period of six months from the date of receipt of such message and, if it is again passed by the Assembly with or without amendment, it shall be presented again to the President for his consideration.

40. No Act of the Legislative Assembly and no provision in any such Act, shall be invalid by reason only that some previous sanction or recommendation required by this Act was not given, if assent to that Act was given by the Lieutenant Governor, or, on being reserved by the Lieutenant Governor for the consideration of the President, by the President.

Requirements
as to sanction
and
recommendations
to be regarded
as matters of
procedure
only.

41. (1) The Lieutenant Governor shall in respect of every financial year cause to be laid before the Legislative Assembly of the Union territory of Jammu and Kashmir, a statement of the estimated receipts and expenditure of the Union territory for that year, in this Part referred to as the “annual financial statement”.

Annual
financial
statement.

(2) The estimates of expenditure embodied in the annual financial statement shall show separately—

(a) the sums required to meet expenditure described by this Act as expenditure charged upon the Consolidated Fund of the Union territory of Jammu and Kashmir, and

(b) the sums required to meet other expenditure proposed to be made from the Consolidated Fund of the Union territory of Jammu and Kashmir; and shall distinguish expenditure on revenue account from other expenditure.

(3) The following expenditure shall be expenditure charged on the Consolidated Fund of the Union territory of Jammu and Kashmir:—

(a) the emoluments and allowances of the Lieutenant Governor and other expenditure relating to his office;

(b) the charges payable in respect of loans advanced to the Union territory of Jammu and Kashmir from the Consolidated Fund of India including interest, sinking fund charges and redemption charges, and other expenditure connected therewith;

(c) the salaries and allowances of the Speaker and the Deputy Speaker of the Legislative Assembly;

(d) expenditure in respect of the salaries and allowances of Judges of High Court of Jammu and Kashmir;

(e) any sums required to satisfy any judgment, decree or award of any court or arbitral tribunal;

(f) expenditure incurred by the Lieutenant Governor in the discharge of his special responsibility;

(g) any other expenditure declared by the Constitution or by law made by Parliament or by the Legislative Assembly of the Union territory of Jammu and Kashmir to be so charged.

42. (1) So much of the estimates as relates to expenditure charged upon the Consolidated Fund of Union territory of Jammu and Kashmir shall not be submitted to the vote of the Legislative Assembly, but nothing in this sub-section shall be construed as preventing the discussion in the Legislative Assembly of any of those estimates.

Procedure in
Legislative
Assembly with
respect to
estimates.

(2) So much of the said estimates as relates to other expenditure shall be submitted in the form of demands for grants to the Legislative Assembly, and the Legislative Assembly shall have power to assent, or to refuse to assent, to any demand, or to assent to any demand subject to a reduction of the amount specified therein.

(3) No demand for a grant shall be made except on the recommendation of the Lieutenant Governor.

Appropriation Bills.

43. (1) As soon as may be after the grants under section 42 have been made by the Legislative Assembly, there shall be introduced a Bill to provide for the appropriation out of the Consolidated Fund of the Union territory of all moneys required to meet—

(a) the grants so made by the Legislative Assembly, and

(b) the expenditure charged on the Consolidated Fund of the Union territory of Jammu and Kashmir but not exceeding in any case the amount shown in the statement previously laid before the Assembly.

(2) No amendment shall be proposed to any such Bill in the Legislative Assembly which will have the effect of varying the amount or altering the destination of any grant so made or of varying the amount of any expenditure charged on the Consolidated Fund of the Union territory of Jammu and Kashmir and the decision of the person presiding as to whether an amendment is inadmissible under this sub-section shall be final.

(3) Subject to the other provisions of this Act, no money shall be withdrawn from the Consolidated Fund of the Union territory except under appropriation made by law passed in accordance with the provisions of this section.

Supplementary, additional or excess grants.

44. (1) The Lieutenant Governor shall—

(a) if the amount authorised by any law made in accordance with the provisions of section 43 to be expended for a particular service for the current financial year is found to be insufficient for the purposes of that year or when a need has arisen during the current financial year for supplementary or additional expenditure upon some new service not contemplated in the annual financial statement for that year, or

(b) if any money has been spent on any service during a financial year in excess of the amount granted for that service and for that year,

cause to be laid before the Legislative Assembly, another statement showing the estimated amount of that expenditure or cause to be presented to the Legislative Assembly with such previous approval a demand for such excess, as the case may be.

(2) The provisions of sections 41, 42 and 43 shall have effect in relation to any such statement and expenditure or demand and also to any law to be made authorising the appropriation of moneys out of the Consolidated Fund of the Union territory of Jammu and Kashmir to meet such expenditure or the grant in respect of such demand as they have effect in relation to the annual financial statement and the expenditure mentioned therein or to a demand for a grant and the law to be made for the authorisation of appropriation of moneys out of the Consolidated Fund of the Union territory of Jammu and Kashmir to meet such expenditure or grant.

Votes on account.

45. (1) Notwithstanding anything in the foregoing provisions of this Part, the Legislative Assembly shall have power to make any grant in advance in respect of the estimated expenditure for a part of any financial year pending the completion of the procedure prescribed in section 42 for the voting of such grant and the passing of the law in accordance with the provisions of section 43 in relation to that expenditure and the Legislative Assembly shall have power to authorise by law the withdrawal of moneys from the Consolidated Fund of the Union territory of Jammu and Kashmir for the purposes for which the said grant is made.

(2) The provisions of sections 42 and 43 shall have effect in relation to the making of any grant under sub-section (1) or to any law to be made under that sub-section as they have effect in relation to the making of a grant with regard to any expenditure mentioned in the annual financial statement and the law to be made for the authorisation of appropriation of moneys out of the Consolidated Fund of the Union territory of Jammu and Kashmir to meet such expenditure.

46. (1) The Legislative Assembly may make rules for regulating, subject to the provisions of this Act, its procedure and the conduct of its business:

Rules of procedure.

Provided that the Lieutenant Governor shall, after consultation with the Speaker of the Legislative Assembly, make rules—

(a) for securing the timely completion of financial business;

(b) for regulating the procedure of, and the conduct of business in, the Legislative Assembly in relation to any financial matter or to any Bill for the appropriation of moneys out of the Consolidated Fund of the Union territory of Jammu and Kashmir;

(c) for prohibiting the discussion of, or the asking of questions on, any matter which affects the discharge of the functions of the Lieutenant Governor in so far as he is required by this Act to act in his discretion.

(2) Until rules are made under sub-section (1), the rules of procedure and standing orders in force immediately before the commencement of this Act, with respect to the Legislative Assembly of the existing State of Jammu and Kashmir shall have effect in relation to the Legislative Assembly of the Union territory of Jammu and Kashmir subject to such modifications and adaptations as may be made therein by the Speaker of Legislative Assembly.

47. (1) The Legislative Assembly may by law adopt any one or more of the languages in use in the Union territory of Jammu and Kashmir or Hindi as the official language or languages to be used for all or any of the official purposes of the Union territory of Jammu and Kashmir.

Official language or languages of Union territory of Jammu and Kashmir and language or languages to be used in Legislative Assembly thereof.

(2) The business in the Legislative Assembly of the Union territory of Jammu and Kashmir shall be transacted in the official language or languages of the Union territory of Jammu and Kashmir or in Hindi or in English:

Provided that the Speaker of the Legislative Assembly or person acting as such, as the case may be, may permit any member who cannot adequately express himself in any of the languages aforesaid to address the Legislative Assembly in his mother-tongue.

48. Notwithstanding anything contained in section 47, until Parliament by law otherwise provides, the authoritative texts—

Language to be used for Acts, Bills, etc.

(a) of all Bills to be introduced or amendments thereto to be moved in the Legislative Assembly,

(b) of all Acts passed by the Legislative Assembly, and

(c) of all orders, rules, regulations and bye-laws issued under any law made by the Legislative Assembly of,

shall be in the English language:

Provided that where the Legislative Assembly has prescribed any language other than the English language for use in Bills introduced in, or Acts passed by, the Legislative Assembly or in any order, rule, regulation or bye-law issued under any law made by the Legislative Assembly of the Union territory of Jammu and Kashmir, a translation of the same in the English language published under the authority of the Lieutenant Governor in the Official Gazette shall be deemed to be the authoritative text thereof in the English language.

Restriction on discussion in the Legislative Assembly.

49. No discussion shall take place in the Legislative Assembly with respect to the conduct of any judge of the Supreme Court or of a High Court in the discharge of his duties.

Courts not to inquire into proceedings of Legislative Assembly.

Secretariat of the Legislative Assembly.

Power of Lieutenant Governor to promulgate Ordinances during recess of Legislative Assembly.

Council of Ministers.

50. (1) The validity of any proceedings in the Legislative Assembly shall not be called in question on the ground of any alleged irregularity of procedure.

(2) No officer or member of the Legislative Assembly in whom powers are vested by or under this Act for regulating procedure or the conduct of business, or for maintaining order in the Legislative Assembly shall be subject to the jurisdiction of any court in respect of the exercise by him of those powers.

51. (1) Legislative Assembly shall have a separate secretariat staff.

(2) The Legislative Assembly may by law regulate the recruitment, and the conditions of service of persons appointed, to the secretarial staff of the Legislative Assembly.

(3) Until provision is made by the Legislative Assembly under sub-section (2), the Lieutenant Governor may, after consultation with the Speaker of the Legislative Assembly make rules regulating the recruitment, and the conditions of service of persons appointed, to the secretarial staff of the Assembly and any rules so made shall have effect subject to the provisions of any law made under the said sub-section.

52. (1) If at any time, except when the Legislative Assembly is in session, the Lieutenant Governor thereof is satisfied that circumstances exist which render it necessary for him to take immediate action, he may promulgate such Ordinances as the circumstances appear to him to require:

Provided that the power of making an Ordinance under this section shall extend only to those matters with respect to which the Legislative Assembly has power to make laws.

(2) An Ordinance promulgated under this section shall have the same force and effect as an Act of the Legislative Assembly assented by the Lieutenant Governor but every such Ordinance—

(a) Shall be laid before the Legislative Assembly and shall cease to operate at the expiration of six weeks from the re-assembly of the Legislative Assembly, or if before the expiration of that period a resolution disapproving it is passed by the Legislative Assembly; and

(b) May be withdrawn at any time by the Lieutenant Governor.

Council of Ministers for the Union territory of Jammu and Kashmir

53. (1) There shall be a Council of Ministers consisting of not more than ten percent of the total number of members in the Legislative Assembly, with the Chief Minister at the head to aid and advise the Lieutenant Governor in the exercise of his functions in relation to matters with respect to which the Legislative Assembly has power to make laws except in so far as he is required by or under this Act to act in his discretion or by or under any law to exercise any judicial or quasi-judicial functions.

(2) The Lieutenant Governor shall, in the exercise of his functions, act in his discretion in a matter:

(i) which falls outside the purview of the powers conferred on the Legislative Assembly; or

(ii) in which he is required by or under any law to act in his discretion or to exercise any judicial functions.

(iii) related to All India Services and Anti Corruption Bureau:

Provided that if any question arises whether any matter is or is not a matter as respects which the Lieutenant Governor is by or under this Act required to act in his discretion, the decision of the Lieutenant Governor in his discretion shall be final, and the validity of anything done by the Lieutenant Governor shall not be called in question on the ground that he ought or ought not to have acted in his discretion.

(3) The question whether any, and if so what, advice was tendered by Ministers to the Lieutenant Governor shall not be inquired into in any court.

54. (1) The Chief Minister shall be appointed by the Lieutenant Governor and the other Ministers shall be appointed by the Lieutenant Governor on the advice of the Chief Minister.

Other provisions as to Ministers.

(2) The Ministers shall hold office during the pleasure of the Lieutenant Governor.

(3) The Council of Ministers shall be collectively responsible to the Legislative Assembly.

(4) Before a Minister enters upon his office, the Lieutenant Governor shall administer to him the oaths of office and of secrecy according to the forms set out for the purpose in the Fourth Schedule.

(5) A Minister who for any period of six consecutive months is not a member of the Legislative Assembly shall at the expiration of that period cease to be a Minister.

(6) The salaries and allowances of Ministers shall be such as the Legislative Assembly may from time to time by law determine, and until the Legislative Assembly so determines, shall be determined by the Lieutenant Governor.

55. (1) The Lieutenant Governor shall make rules on the advice of the Council of Ministers—

Conduct of business.

(a) for the allocation of business to the Ministers; and

(b) for the more convenient transaction of business with the Ministers including the procedure to be adopted in case of a difference of opinion between the Lieutenant Governor and the Council of Ministers or a Minister.

(2) Save as otherwise provided in this Act, all executive action of the Lieutenant Governor, whether taken on the advice of his Ministers or otherwise, shall be expressed to be taken in the name of the Lieutenant Governor.

(3) Orders and other instruments made and executed in the name of the Lieutenant Governor, shall be authenticated in such manner as may be specified in rules to be made by the Lieutenant Governor on the advice of council of ministers, and the validity of an order or instrument which is so authenticated shall not be called in question on the ground that it is not an order or instrument made or executed by the Lieutenant Governor.

56. It shall be the duty of the Chief Minister—

Duties of Chief Minister as respects the furnishing of information to the Lieutenant Governor, etc.

(a) to communicate to the Lieutenant Governor all decisions of the Council of Ministers relating to the administration of the affairs of the Union territory and proposals for legislation;

(b) to furnish such information relating to the administration of the affairs of the Union territory and proposals for legislation as Lieutenant Governor may call for.

Legislative Council

57. (1) Notwithstanding anything to the contrary contained in any law, document, judgment, ordinance, rule, regulation or notification, on and from the appointed day, the Legislative Council of the existing State of Jammu and Kashmir shall stand abolished.

Abolition of Legislative Council of the State of Jammu and Kashmir.

(2) On the abolition of the Legislative Council, every member thereof shall cease to be such member.

(3) All Bills pending in the Legislative Council immediately before the appointed day shall lapse on the abolition of the Council.

PART IV

ADMINISTRATION OF UNION TERRITORY OF LADAKH

Appointment
of Lieutenant
Governor of
Union
territory of
Ladakh.

58. (I) The Union territory of Ladakh will be administered by the President acting, to such extent as he thinks fit, through a Lieutenant Governor to be appointed by him under article 239.

(2) The President may make regulations for the peace, progress and good government of the Union territory of Ladakh under article 240 of the Constitution of India.

(3) Any regulation so made may repeal or amend any Act made by Parliament or any other law which is for the time being applicable to the Union territory of Ladakh and, when promulgated by the President, shall have the same force and effect as an Act of Parliament which applies to the Union territory of Ladakh.

(4) The Lieutenant Governor shall be assisted by advisor(s) to be appointed by the Central Government.

PART V

DELIMITATION OF CONSTITUENCIES

Definitions.

59. In this Part, unless the context otherwise requires,—

(a) “associate member” means a member associated with the Delimitation Commission under section 60;

(b) “Delimitation Commission” means the Delimitation Commission to be constituted under section 3 of the Delimitation Act, 2002; and thereafter by any law made by the Parliament.

33 of 2002.

(c) “Election Commission” means the Election Commission appointed by the President under article 324 of the Constitution of India;

(d) “latest census figures” mean the census figures ascertained at the latest census of which the finally published figures are available;

(e) “Parliamentary Constituency” means a constituency provided by law for the purpose of elections to the House of the People from Union territory of Jammu and Kashmir and Union territory of Ladakh.

(f) “Assembly Constituency” means a constituency provided by law for the purpose of elections to the Legislative Assembly.

Delimitation
of
constituencies.

60. (I) Without prejudice to sub-sections (3) of section 14 of this Act, the number of seats in the Legislative Assembly of Union territory of Jammu and Kashmir shall be increased from 107 to 114, and delimitation of the constituencies may be determined by the Election Commission in the manner hereinafter provided—

(a) the number of seats to be reserved for the Scheduled Castes and the Scheduled Tribes in the Legislative Assembly, having regard to the relevant provisions of the Constitution;

(b) the assembly constituencies into which the Union territory shall be divided, the extent of each of such constituencies and in which of them seats shall be reserved for the Scheduled Castes or for the Scheduled Tribes; and

(c) the adjustments in the boundaries and description of the extent of the parliamentary constituencies in each Union territory that may be necessary or expedient.

(2) In determining the matters referred to in clauses (b) and (c) of sub-section (I), the Election Commission shall have regard to the following provisions, namely:—

(a) all the constituencies shall be single-member constituencies;

(b) all constituencies shall, as far as practicable, be geographically compact areas, and in delimiting them, regard shall be had to physical features, existing

boundaries of administrative units, facilities of communication and conveniences to the public; and

(c) constituencies in which seats are reserved for the Scheduled Castes and the Scheduled Tribes shall, as far as practicable, be located in areas where the proportion of their population to the total population is the largest.

(3) The Election Commission shall, for the purpose of assisting it in the performance of its functions under sub-section (1), associate with itself as associate members, four persons as the Central Government may by order specify, being persons who are the members of the Legislative Assembly of the Union territory of Jammu and Kashmir or four members of the House of the People representing the Union territory of Jammu and Kashmir:

Provided that none of the associate members shall have a right to vote or to sign any decision of the Election Commission.

(4) If, owing to death or resignation, the office of an associate member falls vacant, it shall be filled as far as practicable, in accordance with the provisions of sub-section (3).

(5) The Election Commission shall—

(a) publish its proposals for the delimitation of constituencies together with the dissenting proposals, if any, of any associate member who desires publication thereof in the Official Gazette and in such other manner as the Commission may consider fit, together with a notice inviting objections and suggestions in relation to the proposals and specifying a date on or after which the proposals will be further considered by it;

(b) consider all objections and suggestions which may have been received by it before the date so specified; and

(c) after considering all objections and suggestions which may have been received by it before the date so specified, determine by one or more orders the delimitation of constituencies and cause such order or orders to be published in the Official Gazette, and there upon such publication, the order or orders shall have the full force of law and shall not be called in question in any court.

(6) As soon as may be after such publication, every such order relating to assembly constituencies shall be laid before the Legislative Assembly of the Union territory of Jammu and Kashmir.

61. (1) The Election Commission may by notification in the Official Gazette,—

(a) correct any printing mistakes in any order made under section 60 or any error arising therein from inadvertent slip or omission; and

(b) where the boundaries or name of any territorial division mentioned in any such order or orders is or are altered, make such amendments as appear to it to be necessary or expedient for bringing such order up-to-date.

(2) Every notification under this section relating to an assembly constituency shall be laid, as soon as may be after it is issued, before the Legislative Assembly.

Power of
Election
Commission
to maintain
Delimitation
Orders up-to
date.

Special
provision as
to
readjustment
of
Parliamentary
and Assembly
Constituencies
on the basis of
2011 census.

62. (1) On and from the appointed day, notwithstanding the publication of orders under sub-section (1) of section 10 of the Delimitation Act, 2002 or anything contained in sub-section (2) or sub-section (4) of the said section, the Delimitation Act, 2002 shall be deemed to have been amended as provided below:

(a) in section 2(f), the words “but does not include the State of Jammu and Kashmir” shall be omitted; and

(b) for the purpose of delimitation of Assembly and Parliamentary Constituencies, the words and figure “census held in the year 2001”, wherever occurring, shall be construed as words and figure “census held in the year 2011”.

(2) Readjustment of the constituencies as provided under section 60 in the successor Union territory of Jammu and Kashmir into Assembly Constituencies, shall be carried by the Delimitation Commission, to be constituted under the Delimitation Act, 2002 as amended by this Act, and shall take effect from such date as the Central Government may, by order, published in the Official Gazette, specify.

(3) Readjustment of the constituencies as provided under section 11 in the successor Union territory of Jammu and Kashmir into Parliamentary Constituencies, shall be carried by the Delimitation Commission, to be constituted under the Delimitation Act, 2002 as amended by this Act, and shall take effect from such date as the Central Government may, by order, published in the Official Gazette, specify.

Special provisions as to readjustment of Assembly and Parliamentary Constituencies.

Procedure as to delimitation.

Applicability of Scheduled Castes Order.

Applicability of Scheduled Tribes Order.

Consolidated Fund of the Union territory of Jammu and Kashmir.

Public Account of the Union territory of Jammu and Kashmir and moneys credited to it.

63. Notwithstanding anything contained in sections 59 to 61, until the relevant figures for the first census taken after the year 2026 have been published, it shall not be necessary to readjust the division of successor Union territory of Jammu and Kashmir into Assembly and Parliamentary Constituencies and any reference to the “latest census figures” in this Part shall be construed as a reference to the 2011 census figures.

64. The procedure as provided in the law made by Parliament, shall apply, in relation to the delimitation of Parliamentary and Assembly constituencies under this Part as they apply in relation to the delimitation of Parliamentary and Assembly constituencies under that law.

PART VI

SCHEDULED CASTES AND SCHEDULED TRIBES

65. On and from the appointed day, the Constitution Jammu and Kashmir (Scheduled Castes) Order, 1956, shall stand applied to the Union territory of Jammu and Kashmir and Union territory of Ladakh.

66. On and from the appointed day, the Constitution Jammu and Kashmir (Scheduled Tribes) Order, 1989, shall stand applied to the Union territory of Jammu and Kashmir and Union territory of Ladakh.

Jammu and Kashmir (Scheduled Castes) Order, 1956.

Jammu and Kashmir (Scheduled Tribes) Order, 1989.

PART VII

MISCELLANEOUS AND TRANSITIONAL PROVISIONS

67. (1) On and from the appointed day, all revenues received in the Union territory of Jammu and Kashmir by the Government of India or the Lieutenant Governor of the Union territory of Jammu and Kashmir in relation to any matter with respect to which the Legislative Assembly of the Union territory of Jammu and Kashmir has power to make laws, and all grants made and all loans advanced to the Union territory of Jammu and Kashmir from the Consolidated Fund of India and all loans raised by the Government of India or the Lieutenant Governor of the Union territory of Jammu and Kashmir upon the security of the Consolidated Fund of the Union territory of Jammu and Kashmir and all moneys received by the Union territory of Jammu and Kashmir in repayment of loans shall form one Consolidated Fund to be entitled “the Consolidated Fund of the Union territory of Jammu and Kashmir”.

(2) No moneys out of such Consolidated Fund shall be appropriated except in accordance with, and for the purposes and in the manner provided in, this Act.

(3) The custody of such Consolidated Fund, the payment of moneys into such Funds, the withdrawal of moneys therefrom and all other matters connected with or ancillary to those matters shall be regulated by rules made by the Lieutenant Governor.

68. (1) On and from the appointed day, all other public moneys received by or on behalf of the Lieutenant Governor shall be credited to a Public Account entitled “the Public Account of the Union territory of Jammu and Kashmir”.

(2) The custody of public moneys, other than those credited to the Consolidated Fund of the Union territory or the Contingency Fund of the Union territory of Jammu and Kashmir, received by or on behalf of the Lieutenant Governor, their payment into the Public

Accounts of the Union territory of Jammu and Kashmir and the withdrawal of moneys from such account and all other matters connected with or ancillary to the aforesaid matters shall be regulated by rules made by the Lieutenant Governor on the advice of Council of Ministers.

69. (1) There shall be established a Contingency Fund in the nature of an imprest to be entitled "the Contingency Fund of the Union territory of Jammu and Kashmir", into which shall be paid from and out of the Consolidated Fund of the Union territory of Jammu and Kashmir such sums as may, from time to time, be determined by law made by the Legislative Assembly of the Union territory of Jammu and Kashmir; and the said Fund shall be held by the Lieutenant Governor to enable advances to be made by him out of such Fund.

Contingency Fund of Union territory of Jammu and Kashmir.

(2) No advances shall be made out of the Contingency Fund of the Union territory of Jammu and Kashmir except for the purposes of meeting unforeseen expenditure pending authorisation of such expenditure by the Legislative Assembly under appropriations made by law.

(3) The Lieutenant Governor on the advice of the Council of Ministers may make rules regulating all matters connected with or ancillary to the custody of, the payment of moneys into, and the withdrawal of moneys from, the Contingency Fund of the Union territory of Jammu and Kashmir.

70. (1) The executive power of the Union territory extends to borrowing upon the security of the Consolidated Fund of the Union territory of Jammu and Kashmir within such limits, if any, as may, from time to time, be fixed by Legislative assembly by law and to the giving of guarantees within such limits, if any, as may be so fixed.

Borrowing upon the security of Consolidated Fund of Union territory of Jammu and Kashmir.

(2) Any sums required for the purpose of invoking a guarantee shall be charged on the Consolidated Fund of the Union territory of Jammu and Kashmir.

71. The accounts of the Union territory of Jammu and Kashmir shall be kept in such form as the Lieutenant Governor may, after obtaining advice of the Comptroller and Auditor-General of India, prescribe by rules.

Form of accounts of the Union territory of Jammu and Kashmir.

72. The reports of the Comptroller and Auditor-General of India relating to the accounts of Union territory of Jammu and Kashmir for any period subsequent to the date referred to in sub-section (1) of section 67 shall be submitted to the Lieutenant Governor who shall cause them to be laid before the Legislative Assembly.

Audit reports.

73. If the President, on receipt of a report from the Lieutenant Governor of Union territory of Jammu and Kashmir, or otherwise, is satisfied,—

Provision in case of failure of constitutional machinery.

(a) that a situation has arisen in which the administration of the Union territory of Jammu and Kashmir cannot be carried on in accordance with the provisions of this Act, or

(b) that for the proper administration of Union territory of Jammu and Kashmir it is necessary or expedient so to do,

the President may, by order, suspend the operation of all or any of the provisions of this Act for such period as he thinks fit and make such incidental and consequential provisions as may appear to him to be necessary or expedient for administering the Union territory of Jammu and Kashmir in accordance with the provisions of this Act.

74. Where the Legislative Assembly is dissolved, or its functioning as such Assembly remains suspended, on account of an order under section 73, it shall be competent for the President to authorize, when the House of the People is not in session, expenditure from the Consolidated Fund of the Union territory of Jammu and Kashmir pending the sanction of such expenditure by Parliament.

Authorisation of expenditure by President.

PART VIII
HIGH COURT

High Court of Jammu and Kashmir to be common High Court.

75. (1) On and from the appointed day,—

(a) the High Court of Jammu and Kashmir shall be the common High Court for the Union territory of Jammu and Kashmir and Union territory of Ladakh;

(b) the Judges of the High Court of Jammu and Kashmir for the existing State of Jammu and Kashmir holding office immediately before the appointed day shall become on that day the Judges of the common High Court.

(2) The expenditure in respect of salaries and allowances of the Judges of the common High Court shall be allocated amongst the Union territory of Jammu and Kashmir and Union territory of Ladakh on the basis of population ratio.

76. (1) On and from the date referred to in sub-section (1) of section 75, in the Advocates Act, 1961, in section 3, in sub-section (1),—

25 of 1961.

(a) in clause (a), the words “Jammu and Kashmir” shall be deleted.

(b) after clause (f), the following clause shall be inserted, namely—

- (g) - for the Union territory of Jammu and Kashmir and Union territory of Ladakh, to be known as the Bar Council of Jammu and Kashmir; and Ladakh.

(2) Any person who immediately before the date referred to in sub-section (1) of section 75 is an advocate on the roll of the Bar Council of the existing State of Jammu and Kashmir and practising as an advocate in the High Court of Jammu and Kashmir, may continue to be members of the “Bar council of Jammu and Kashmir; and Ladakh”, notwithstanding anything contained in the Advocates Act, 1961 and the rules made thereunder.

(3) The persons other than the advocates who are entitled immediately before the date referred to in sub-section (1) of section 75, on and after that date, be recognised as such persons entitled also to practise in the common High Court of Jammu and Kashmir or any subordinate court thereof, as the case may be.

(4) The right of audience in the common High Court of Jammu and Kashmir shall be regulated in accordance with the like principles as immediately before the date referred to in sub-section (1) of section 75, are in force with respect to the right of audience in the High Court of Jammu and Kashmir.

Practice and procedure in common High Court of Jammu and Kashmir.

77. Subject to the provisions of this Part, the law in force immediately before the date referred to in sub-section (1) of section 75 with respect to practice and procedure in the High Court of Jammu and Kashmir shall, with the necessary modifications, apply in relation to the common High Court of Jammu and Kashmir and accordingly, the common High Court of Jammu and Kashmir shall have all such powers to make rules and orders with respect to practice and procedure as are immediately before that date exercisable by the common High Court of Jammu and Kashmir:

Provided that any rules or orders which are in force immediately before the date referred to in sub-section (1) of section 75 with respect to practice and procedure in the High Court of Jammu and Kashmir shall, until varied or revoked by rules or orders made by the common High Court of Jammu and Kashmir, apply with the necessary modifications in relation to practice and procedure in the common High Court of Jammu and Kashmir as if made by that Court.

Savings.

78. Nothing in this Part shall affect the application to the common High Court of Jammu and Kashmir of any provisions of the Constitution, and this Part shall have effect subject to any provision that may be made on or after the date referred to in sub-section (1) of section 75 with respect to the common High Court of Jammu and Kashmir by any Legislature or other authority having power to make such provision.

PART IX

ADVOCATE-GENERAL OF UNION TERRITORY OF JAMMU AND KASHMIR

79. (1) The Lieutenant Governor shall appoint a person who is qualified to be appointed a Judge of the High Court, to be Advocate-General for the Union territory of Jammu and Kashmir.

Advocate General for Union territory of Jammu and Kashmir.

(2) It shall be the duty of such Advocate - General to give advice to the Government of such Union territory upon such legal matters and to perform such other duties of a legal character, as may from time to time be referred or assigned to him by the said Government, and to discharge the functions conferred on him by or under the Constitution or any other law for the time being in force.

(3) In the performance of his duties, the Advocate-General shall have the right of audience in all courts in the Union territory of Jammu and Kashmir.

(4) The Advocate-General shall hold office during the pleasure of the Lieutenant Governor and receive such remuneration as the Lieutenant Governor may determine.

PART X

AUTHORISATION OF EXPENDITURE AND DISTRIBUTION OF REVENUES

80. The Governor of existing State of Jammu and Kashmir may, at any time before the appointed day, authorise such expenditure from the Consolidated Fund of the Union territory of Jammu and Kashmir as he deems necessary for any period not more than six months beginning with the appointed day pending the sanction of such expenditure by the Legislative Assembly of the Union territory of Jammu and Kashmir:

Authorisation of expenditure of Union territory of Jammu and Kashmir.

Provided that the Lieutenant Governor of Union territory of Jammu and Kashmir may, after the appointed day, authorise such further expenditure as he deems necessary from the Consolidated Fund of the Union territory of Jammu and Kashmir for any period not extending beyond the said period of six months.

81. The Governor of existing State of Jammu and Kashmir may, at any time before the appointed day, authorise such expenditure from the Consolidated Fund of Union territory of Jammu and Kashmir as he deems necessary for any period not more than six months beginning with the appointed day pending the sanction of such expenditure by the Parliament:

Authorisation of expenditure of Union territory of Ladakh.

Provided that the President may, after the appointed day, authorise such further expenditure as he deems necessary from the Consolidated Fund of India for any period not extending beyond the said period of six months.

82. (1) The reports of the Comptroller and Auditor-General of India referred to in clause (2) of article 151 relating to the accounts of the existing State of Jammu and Kashmir in respect of any period prior to the appointed day shall be submitted to the Lieutenant Governors of the successor Union territory of Jammu and Kashmir, and Union territory of Ladakh.

Reports relating to accounts of Jammu and Kashmir State.

(2) The Lieutenant Governor of Jammu and Kashmir, thereafter shall cause the reports to be laid before the Legislature of the Union territory of Jammu and Kashmir.

(3) The Lieutenant Governor of Jammu and Kashmir may by order—

(a) declare any expenditure incurred out of the Consolidated Fund of Jammu and Kashmir on any service in respect of any period prior to the appointed day during the financial year or in respect of any earlier financial year in excess of the amount granted for that service and for that year as disclosed in the reports referred to in sub-section (1) to have been duly authorised; and

(b) provide for any action to be taken on any matter arising out of the said reports.

Distribution of revenue.

83. (1) The award made by the Fourteenth Finance Commission to the existing State of Jammu and Kashmir shall be apportioned between the successor Union territory of Jammu and Kashmir; and Union territory of Ladakh by the Central Government on the basis of population ratio and other parameters:

Provided that on the appointed day, the President shall make a reference to the Union Territories Finance Commission to take into account the resources available to the successor Union territory of Ladakh and make separate award for the successor Union territory of Ladakh:

Provided that on the appointed day, the President shall make a reference to the Fifteenth Finance Commission to include Union territory of Jammu and Kashmir in its Terms of Reference and make award for the successor Union territory of Jammu and Kashmir.

(2) Notwithstanding anything in sub-section (1), the Central Government may, having regard to the resources available to the successor Union territory of Ladakh make appropriate grants and also ensure that adequate benefits and incentives in the form of special development package are given to the backward areas of this region.

PART XI

APPORTIONMENT OF ASSETS AND LIABILITIES

Application of this Part.

84. (1) The provisions of this Part shall apply in relation to the apportionment of the assets and liabilities of the existing State of Jammu and Kashmir immediately before the appointed day, between the successor Union territory of Jammu and Kashmir and successor Union territory of Ladakh.

(2) The apportionment of the assets and liabilities of the existing State of Jammu and Kashmir shall be subject to the recommendations of a committee constituted by the Central Government.

(3) The process of apportionment shall be completed within a period of twelve months from the appointed day.

PART XII

PROVISIONS AS TO CERTAIN CORPORATIONS AND ANY OTHER MATTERS

Advisory Committee(s).

85. (1) The Central Government may by order, establish one or more Advisory Committees within a period of 90 days from the appointed day, for the purposes of :

(a) apportionment of assets, rights and liabilities of the companies and corporations constituted for the existing State of Jammu and Kashmir between Union territory of Jammu and Kashmir and Union territory of Ladakh;

(b) issues relating to Continuance of arrangements in regard to generation and supply of electric power and supply of water;

(c) issues related to Jammu and Kashmir State Financial Corporation;

(d) issues related to Companies constituted for the existing state of Jammu and Kashmir regarding the division of the interests and shares and reconstitution of Board of Directors;

(e) issues related to facilities in certain State Institutions; and

(f) issues related to any other matters not covered under this section.

(2) The committees so appointed under sub-section (1) of this section, shall submit their reports within six months to the Lieutenant Governor of Union territory of Jammu and Kashmir, who shall act on the recommendations of such committees within a period of 30 days from the date of receiving such reports.

59 of 1988.

86. (1) Notwithstanding anything contained in section 88 of the Motor Vehicles Act, 1988, a permit granted by the State Transport Authority of the existing State of Jammu and Kashmir or any Regional Transport Authority in that State shall, if such permit was, immediately before the appointed day, valid and effective in any area in the transferred territory, be deemed to continue to be valid and effective in that area after that day till its period of validity subject to the provisions of that Act as for the time being in force in that area; and it shall not be necessary for any such permit to be countersigned by the Transport Authority of any of Union territory or any Regional Transport Authority therein for the purpose of validating it for use in such area:

Temporary provisions as to continuance of certain existing road transport permits.

Provided that the Lieutenant Governor may add to amend or vary the conditions attached to the permit by which the permit was granted.

(2) No tolls, entrance fees or other charges of a like nature shall be levied after the appointed day in respect of any transport vehicle for its operations in any of the successor Union Territories under any such permit, if such vehicle was, immediately before that day, exempt from the payment of any such toll, entrance fees or other charges for its operations in the transferred territory:

Provided that the Central Government may, after consultation with the Government of Union territory of Jammu and Kashmir or the administration of Union territory of Ladakh, as the case may be, authorise the levy of any such toll, entrance fees or other charges, as the case may be:

Provided further that the provisions of this sub-section shall not be applicable where any such tolls, entrance fees or other charges of a like nature are leviable for the use of any road or bridge which is constructed or developed for commercial purpose by the State Government, an undertaking of the State Government, a joint undertaking in which the State Government is a shareholder or the private sector.

Special provision as to income-tax.

43 of 1961.

87. Where the assets, rights and liabilities of any body corporate carrying on business are, under the provisions of this Part, transferred to any other bodies corporate which after the transfer carry on the same business, the losses or profits or gains sustained by the body corporate first-mentioned which, but for such transfer, would have been allowed to be carried forward and set off in accordance with the provisions of Chapter VI of the Income-tax Act, 1961, shall be apportioned amongst the transferee bodies corporate in accordance with the rules to be made by the Central Government in this behalf and, upon such apportionment, the share of loss allotted to each transferee body corporate shall be dealt with in accordance with the provisions of Chapter VI of the said Act, as if the transferee body corporate had itself sustained such loss in a business carried on by it in the years in which those losses were sustained.

PART XIII

PROVISIONS AS TO SERVICES

88. (1) In this section, the expression “State cadre”—

Provisions relating to All-India Services.

(a) in relation to the Indian Administrative Service, has the same meaning assigned to it in the Indian Administrative Service (Cadre) Rules, 1954;

(b) in relation to the Indian Police Service, has the same meaning assigned to it in the Indian Police Service (Cadre) Rules, 1954; and

(c) in relation to the Indian Forest Service, has the same meaning assigned to it in the Indian Forest Service (Cadre) Rules, 1966.

IAS (Cadre) rules, 1954.

IPS (Cadre) rules, 1954.

IFS (Cadre) rules, 1966.

(2) The members of the cadres of Indian Administrative Service, Indian Police Service and Indian Forest Service for the existing State of Jammu and Kashmir, on and from the appointed day, shall continue to function on the existing cadres.

(3) The provisional strength, composition and allocation of officers currently borne on the existing cadre of Jammu and Kashmir to the Union territory of Jammu and Kashmir

and Union territory of Ladakh, as referred to in sub-section (2) shall be such as the Lieutenant Governor of Union territory of Jammu and Kashmir may, by order, determine on or after the appointed day.

(4) The members of each of the said services, currently borne on the Jammu and Kashmir cadre immediately before the appointed day shall be finally allocated between the successor Union territory of Jammu and Kashmir and Union territory of Ladakh, in such manner and with effect from such date or dates as the Central Government may, by order, specify on the recommendation of Lieutenant Governors of Union territory of Jammu and Kashmir; and Union territory of Ladakh.

(5) The Officers so allocated to both the Union Territories shall function within these Union Territories, in accordance with the rules framed by the Central Government.

(6) In future, the All India Service officers to be posted to Union territory of Jammu and Kashmir or Union territory of Ladakh, as the case may be, shall be borne on the Arunachal Goa Mizoram Union Territory cadre, and necessary modifications in corresponding cadre allocations rules may be made accordingly, by the Central Government.

Provisions relating to other services.

89. (1) Every person who immediately before the appointed day is serving on substantive basis in connection with the affairs of the existing State of Jammu and Kashmir shall, on and from that day provisionally continue to serve in connection with the affairs of the Union territory of Jammu and Kashmir and Union territory of Ladakh, by general or special order of the Lieutenant Governor of Union territory of Jammu and Kashmir:

Provided that every direction under this sub-section issued after the expiry of a period of one year from the appointed day shall be issued with the consultation of the Government or Administration of the successor Union Territories, as the case may be.

(2) As soon as may be after the appointed day, the Lieutenant Governor of Jammu and Kashmir shall, by general or special order, determine the successor Union territory to which every person referred to in sub-section (1) shall be finally allotted for service, after consideration of option received by seeking option from the employees, and the date with effect from which such allotment shall take effect or be deemed to have taken effect:

Provided that even after the allocation has been made, Lieutenant Governor of Union territory of Jammu and Kashmir may in order to meet any deficiency in the service, depute officers from one successor Union territory to the other Union territory.

(3) Every person who is finally allotted under the provisions of sub-section (2) to a successor Union territory shall, if he is not already serving therein, be made available for serving in the successor Union territory from such date as may be agreed upon between the Government of the successor Union territory of Jammu and Kashmir and Administration of Union territory of Ladakh, or, in default of such agreement, as may be determined by the Central Government:

Provided that the Central Government shall have the power to review any of its orders issued under this section.

Other provisions relating to services.

90. (1) Nothing in this section or in section 89 shall be deemed to affect, on or after the appointed day, the operation of the provisions of Chapter I of Part XIV of the Constitution in relation to determination of the conditions of service of persons serving in connection with the affairs of the Union or any Union territory:

Provided that the conditions of service applicable immediately before the appointed day in the case of any person deemed to have been allocated to the Union territory of Jammu and Kashmir or Union territory of Ladakh under section 89 shall not be varied to his disadvantage except with the previous approval of the Lieutenant Governor.

(2) All services prior to the appointed day rendered by a person,—

(a) if he is deemed to have been allocated to any Union territory under section 89, shall be deemed to have been rendered in connection with the affairs of that Union territory;

(b) if he is deemed to have been allocated to the Union in connection with the administration of the successor Union territory, shall be deemed to have been rendered in connection with the affairs of the Union, for the purposes of the rules regulating his conditions of service.

(3) The provisions of section 89 shall not apply in relation to members of any All-India Service.

91. Every person who, immediately before the appointed day, is holding or discharging the duties of any post or office in connection with the affairs of the existing State of Jammu and Kashmir in any area which on that day falls within one of the successor Union territory shall continue to hold the same post or office in that successor Union territory, and shall be deemed, on and from that day, to have been duly appointed to the post or office by the Government of, or other appropriate authority in, that successor Union territory:

Provided that nothing in this section shall be deemed to prevent a competent authority, on and from the appointed day, from passing in relation to such person any order affecting the continuance in such post or office.

92. On and from the appointed day, the employees of State Public Sector Undertakings, corporations and other autonomous bodies shall continue to function in such undertaking, corporation or autonomous bodies for a period of one year and during this period the corporate body concerned shall determine the modalities for distributing the personnel between the successor Union Territories.

93. (1) The Public Service Commission for the existing State of Jammu and Kashmir shall, on and from the appointed day, be the Public Service Commission for the Union territory of Jammu and Kashmir.

(2) The Union Public Service Commission, with the approval of the President, shall serve the needs of the Union territory of Ladakh.

(3) The persons holding office immediately before the appointed day as the Chairman or other member of the Public Service Commission for the existing State of Jammu and Kashmir shall, as from the appointed day, be the Chairman or, as the case may be, the other member of the Public Service Commission for the Union territory of Jammu and Kashmir.

(4) Every person who becomes the Chairman or other member of the Public Service Commission for the Union territory of Jammu and Kashmir on the appointed day under sub-section (3) shall be entitled to receive from the Government of the Union territory of Jammu and Kashmir, conditions of service not less favourable than those to which he was entitled under the provisions applicable to him.

(5) The report of the Jammu and Kashmir Public Service Commission as to the work done by the Commission in respect of any period prior to the appointed day shall be presented to the Lieutenant Governor of the State of Jammu and Kashmir, and the Lieutenant Governor of the Union territory of Jammu and Kashmir shall, on receipt of such report, cause a copy thereof together with a memorandum explaining as far as possible, as respects the cases, if any, where the advice of the Commission was not accepted, the reasons for such non-acceptance to be laid before the Legislature of the Union territory of Jammu and Kashmir.

PART XIV

LEGAL AND MISCELLANEOUS PROVISIONS

94. On and from the appointed day, in section 15 of the States Reorganisation Act, 1956, in clause (a), for the words "Jammu and Kashmir" the words "Union territory of Jammu and Kashmir and Union territory of Ladakh" shall be substituted.

Amendment of section 15 of Act 37 of 1956.

95. (1) All Central laws in Table -1 of the Fifth Schedule to this Act, on and from the appointed day, shall apply in the manner as provided therein, to the Union territory of Jammu and Kashmir and Union territory of Ladakh.

Territorial extent of laws.

Provisions as to continuance of officers in same post.

Provision for employees of Public Sector Undertakings, etc.

Provisions as to State Public Service Commission.

(2) All other laws in Fifth Schedule, applicable to existing State of Jammu and Kashmir immediately before the appointed day, shall apply in the manner as provided therein, to the Union territory of Jammu and Kashmir and Union territory of Ladakh.

Power to adapt laws.

96. For the purpose of facilitating the application in relation to the successor Union Territories, of any law made before the appointed day, as detailed in Fifth Schedule, the Central Government may, before the expiration of one year from that day, by order, make such adaptations and modifications of the law, whether by way of repeal or amendment, as may be necessary or expedient, and thereupon every such law shall have effect subject to the adaptations and modifications so made until altered, repealed or amended by a competent Legislature or other competent authority.

Power to construe laws.

97. Notwithstanding that no provision or insufficient provision has been made under section 96 for the adaptation of a law made before the appointed day, any court, tribunal or authority, required or empowered to enforce such law may, for the purpose of facilitating its application in relation to the Union territory of Jammu and Kashmir or Union territory of Ladakh, construe the law in such manner, without affecting the substance, as may be necessary or proper in regard to the matter before the court, tribunal or authority.

Power to name authorities, etc., for exercising statutory functions.

98. The Lieutenant Governor, as respects the concerned territory may, by notification in the Official Gazette, specify the authority, officer or person who, on or after the appointed day, shall be competent to exercise such functions exercisable under any law in force on that day as may be mentioned in that notification and such law shall have effect accordingly.

Legal proceedings.

99. Where, immediately before the appointed day, the existing State of Jammu and Kashmir is a party to any legal proceedings with respect to any property, rights or liabilities subject to apportionment among the successor Union Territories under this Act, the Union territory of Jammu and Kashmir or the Union territory of Ladakh which succeeds to, or acquires a share in, that property or those rights or liabilities by virtue of any provision of this Act shall be deemed to be substituted for the existing State of Jammu and Kashmir or added as a party to those proceedings, and the proceedings may continue accordingly.

Transfer of pending proceedings.

100. (1) Every proceeding pending immediately before the appointed day before a court (other than High Court), tribunal, authority or officer in any area which on that day falls within the State of Jammu and Kashmir shall, if it is a proceeding relating exclusively to the territory, which as from that day are the territories of any Union territory, stand transferred to the corresponding court, tribunal, authority or officer of that Union territory.

(2) If any question arises as to whether any proceeding should stand transferred under sub-section (1), it shall be referred to the common High Court of Jammu and Kashmir and the decision of that High Court shall be final.

(3) In this section—

(a) proceeding includes any suit, case or appeal; and

(b) corresponding court, tribunal authority or officer in any of Union territory means—

(i) the court, tribunal, authority or officer in which, or before whom, the proceeding would have laid if it had been instituted after the appointed day; or

(ii) in case of doubt, such court, tribunal, authority, or officer in that Union territory, as may be determined after the appointed day by the Government or administration of that Union territory, or the Central Government, as the case may be, or before the appointed day by the Government of the existing State of Jammu and Kashmir to be the corresponding court, tribunal, authority or officer.

101. Any person who, immediately before the appointed day, is enrolled as a pleader entitled to practise in any subordinate court in the existing State of Jammu and Kashmir shall, for a period of one year from that day, continue to be entitled to practise in those courts, notwithstanding that the whole or any part of the territories within the jurisdiction of those courts has been transferred to any of the Union Territories.

Right of
pleaders to
practise in
certain cases.

102. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law.

Effect of
provisions of
the Act
inconsistent
with other
laws.

103. (1) If any difficulty arises in giving effect to the provisions of this Act, the President may, by order do anything not inconsistent with such provisions which appears to him to be necessary or expedient for the purpose of removing the difficulty:

Power to
remove
difficulties.

Provided that no such order shall be made after the expiry of a period of five years from the appointed day.

(2) Every order made under this section shall be laid before each House of Parliament.

The First Schedule

(See Section 9)

Union territory of Jammu and Kashmir**Members of Council of State**

S.No.	Name of the sitting Member	Term
1.	Fayaz Mir Mohammad	11/02/2015 to 10/02/2021
2.	Laway Shri Nazir Ahmed	16/02/2015 to 15/02/2021
3.	Manhas Shri Shamsher Singh	11/02/2015 to 10/02/2021
4.	Ghulam Nabi Azad	16/02/2015 to 15/02/2021

The Second Schedule

[See Section 11(1)]

Amendments to the Delimitation of Parliamentary Constituencies Order, 1976

Union territory of Jammu and Kashmir**Parliamentary Constituencies**

S.No.	Name of the Constituency	Extent of Constituency
1.	Baramulla	Baramulla District
2.	Srinagar	Srinagar District
3.	Anantnag	Anantnag District
4.	Udhampur	Udhampur, Doda and Kathua Districts
5.	Jammu	Jammu, Rajouri and Poonch Districts

Union territory of Ladakh**Parliamentary Constituency**

S.No.	Name of the Constituency	Extent of Constituency
1.	Ladakh	Ladakh District

- Note.— (i) Any reference in this Schedule to a district shall be taken to mean the area comprised within that district on the 1st day of August, 1975.
- (ii) As per details included in Delimitation of Parliamentary and Assembly Constituencies Order, 1976 under Articles 81 & 82 of the Constitution of India as applied to the State of Jammu and Kashmir by the Constitution (Application to J&K) Order, 1954 (C.O. 48).

The Third Schedule**[See Section 14(5)]**

Amendments to the Delimitation of Assembly Constituencies Order, 1995

Union territory of Jammu and Kashmir**Assembly Constituencies**

S. No.	Name of the Assembly Constituency	Extent
1	2	3
KUPWARA DISTRICT		
1.	Karnah	All PCs of Tehsil Karnah; PC Keran of Tehsil Kupwara.
2.	Kupwara	PCs 18-Sulakot, 20-Radabug, 22-Bumhama, 23-Drugmulla, 25-Gushi, 26-Batergam, 27-Dadikoot, 30-Gulgam, 31-Harrai, 32-Hayan, 33-Trehgam, 34-Guglose, 35-Kralpora, 36-Guzeryal, 37-Gundizona-Reshi, 38-Panzgam, 39-Meelyal, 40-Shooloora, 41-Dardihairi-Kharagund, 42-Kupwara and P.C. 55-Manzgam in Tehsil Handwara.
3.	Lolab	PCs 1-Harduring, 2-Chontiwari, 3-Machil, 4-Kalaroch, 5-Khumrayal, 6-Kanthpora, 7-Wawoora, 8-Maidanpora, 9-Khurhama, 10-Warnow, 11-Krusan, 12-Sogam, 13-Darapora, 14-Lalpora, 15-Chandigam, 16-Tekipora, 17-Dewar Inderbug, 19-Manigah, 29-Haihama, 45-Dardapora in Kupwara Tehsil.
4.	Handwara	PCs 8-Maidan Chogal, 28-Taratpora, 29-Wilgam, 30-Lilam, 31-Dulipora, 32-Opzawani, 33-Shogapora, 34-Neelipora, 35-Magam, 36-Jagarpura, 39-Behnipora, 40-Rajpora, 41-Zachaldara, 42-Wadder, 43-Turkapora, 44-Chanjimulla, 45-Wadipora, 46-Bhaki Akhar, 47-Batakoot, 48-Braripora, 49-Waripora Gonipora, 50-Nutanoosa, 51-Kandikhas, 52-Handwara; 53- Dhama, 54-Panchakoot in Tehsil Handwara; and 21-Kegam, 28-Nagrimalpora, 24-Najatpora in Tehsil Kupwara.
5.	Langate	PCs 1- Langate, 2-Unusu, 3-Pohrupeth, 4-Glura, 5- Martgam, 6-Hanga, 7-Shanoo, 9-Nowgam, 10-Mawar, 11- Qalamchakla, 12- Adura, 13-Haril, 14-Drangsoo-Shah-Nagri, 15-Udipora, 16- Kralagund, 17-Lokipora, 18-Kichlo Qazipora, 19-Khaipora, 20-Panditpora, 21-Super-Nagam, 22-Ashapora, 23-Safalpora, 24-Kralpora, 25-Deedarpura, 26-Shathgund-Balla, 27-Rawalpora, 37-Wasiakawnar, 38- Lachampora in Tehsil Handwara.
BARAMULLA DISTRICT		
6.	Uri	All PCs in Tehsil Uri.
7.	Rafiabad	PCs 11-Chakloo, 12- Nadihal, 13-Shitloo, 15-Biner Kahdoora in Tehsil Baramulla; and
		PCs 5-Nowpora Kalan, 8-Watergam, 9-Fidarpora, 10-Handipora, 11-Yarbug, 12-Riban-Ramhama, 13- Ladora, 14-Rehama, 15-Chijahama, 16- Wanpora, 17-Panzalla-Gundabal, 18- Sailkoot, 19-Balhama-Thakanpora, 20-Chatoosa, 21-Dangiwacha, 22-Rawacha, 23-Harduchanam, 24-Bakshipora-Batapora, 25-Zithan, 36- Behrampora, 37-Chitlora, 38- Achabal in Tehsil Sopore.
8.	Sopore	PCs 1-Sopore with NAC, 2- Warapora, 3- Arampora, 4- Dangerpora, 6- Watalab, 32- Seeloo, 33- Botingoo, 34- Mundji, 35- Duroo, 39- Hardu-Shiva, 41- Aadipora-Bomai, 42-Wadoora, 40-Tujar-Pahlihar, 43- Harwan, 44- Zaloora in Tehsil Sopore.

1	2	3
9.	Gurez	All PCs in Tehsil Gurez.
10.	Bandipora	All PCs in Tehsil Bandipora; and PC 1- Ajas of Tehsil Sonawari.
11.	Sonawari	All PCs in Tehsil Sonawari excluding PC 1-Ajas.
12.	Sangrama	PCs 16-Kreeri, 17-Wizar, 18-Authora, 19-Shalakawara, 20-Nowpora-Jagir, 21-Wagoora, 22-Kachumuqam, 24- Manigam, 25-Kalantara-Balla, 26 - Dandmoh, 27- Sultampora-Kandi in Tehsil Baramulla; and 7-Tarzoo, 26-Hygam, 27-Seer-Jagir, 28-Bulagam, 29-Sangrama, 30-Krank-Shivan, 31-Wagub in Tehsil Sopore.
13.	Baramulla	PCs 1- Laridora, 2- Heewan, 30 Malapora, 4-Kich-Hama, 50-Ushkara, 6-Khanpora with NAC, 7-Khaja-Bagh, 8-Taki-Sultan, 9-Khaitangan, 10-Delina, 14-Kansipora, 23- Chandoosa in Tehsil Baramulla.
14.	Gulmarg	All PCs in Teshil Gulmarg; and 2-Wailoo Kralpora, 8-Sriwarpora, 9-Chokar, 10- Waripora-Bangil, 12- Malmoh, 13- Nowlari, 16-Yal in Tehsil Pattan.
15.	Pattan	Tehsil Pattan excluding 2-Wailoo-Kralpora, 8-Sriwarapora, 9-Chokar, 10-Waripora Bangil, 12- Malmoh, 13-Nowlari and 16-Yal.
SRINAGAR DISTRICT		
16.	Kangan	All PCs of Tehsil Kangan; and PCs -Manigam, 2-Wailoo, 3-Nunar in Tehsil Ganderwal.
17.	Ganderbal	Tehsil Ganderbal excluding 1-Manigam, 2-Wailoo, 3-Nunar and PC. Haran in Srinagar Tehsil.
18.	Hazratbal	Ward 16 in Srinagar Municipality (excluding Municipal areas not falling in Srinagar Tehsil but falling in Ganderbal Tehsil) and PC 9-Bachpora in Tehsil Ganderbal and Wards 17 and 12 except the following Mohallas of Ward 12 ; Mugal Mohalla, Surateng, Khawjapora, Kocha Nidan, Zindashah and boat population of these wards.
19.	Zadibal	Wards 14 and 15 in Srinagar Municipality and boat population of Anchar and of the ghats of these wards.
20.	Idgah	Wards 8 and 11 in Srinagar Municipality and P.C. 38-Palpora and 41-Sangam in Srinagar Tehsil.
21.	Khanyar	Wards 10-13 of Srinagar Municipality and the following mohallas of Ward 12-Mugal Mohalla, Surateng, Khawjapora, Zindshah and Kocha Nidan and boat population of these wards.
22.	Habbakadal	Wards 7 and 9 in Srinagar Municipality and boat population of Wards 6, 7 and 9.
23.	Amirakadal	Wards 3 and 4 in Srinagar Municipality excluding (i) Natipora (rural), (ii) Rawalpora (rural), (iii) Hyderpora (rural) ; and excluding Aramwari, Gund Chandal, Stingoo, Sutho Kirther Bagh in Tehsil Chadoora and Watdoor, Galwanpora Laloo and Shesgam Bagh in Tehsil Badgam and boat population of these wards and of Ward 5.
24.	Sonawar	Wards 1 and 2 in Srinagar Municipality and Badamibagh Cantonment and P.C. 21-Chitrahama, 19-Dara, 29-Khunmu, 30-Balhama, 31-Zewan in Tehsil Sringar and boat population of ghats in these wards.
25.	Batamaloo	Wards 5 and 6 in Srinagar Municipality ; and PCs 6-Mujgund, 42-Bachipora Tengpora in Srinagar Tehsil.

1**2****3****BUDGAM DISTRICT**

26. Chadoora The following Patwar Circles of Tehsil Chadoora, 16-Chadoora, 24-Chattergam, 25-Wagora, 26-Wathura, 27-Khanda, 28-Bugam Batapora, 29-Kralpora, 30-Hayatpora, 31-Pohroo, 32-Rakh Shalina, 33-Bagati Kanipora, 34-Nowgam, 35-Kanihama, 36-Daulatpora, 38-Natipora rural area outside Srinagar Municipal limits in ward 4 and 39-Lasjan and Aramwari, Gund, Chandal Stengoo, Suthoo, Kirtherbagh and 40-Kursu Padshahibagh.
27. Badgam PCs 1-Soibugh, 2-Dhrmana, 3-Wahabpora, 4-Arth, 5-Wadwan, 6-Bemina, 7-Pallar, 8-Garriend Kalan, 9-Sholipra, 10-Nassar-ullah-Pora, 11-Jahama, 12-Water-Wani, 28-Chune, 29-Badgam, 30-Ompora 31-Narkara, 32-Humhama, 35-Karewa Damodar, 36-Gund-Sathu, 37-Ichakoot, 38-Ichgam, 33-Rawalpora (rural), 34-Hyderpora (rural) in Badgam Tehsil.
28. Beerwah PCs 1-Suzeth-Gooripora, 2-Kawoosa Khalisa, 3-Kawoosa Jagir, 4-Batapora Kahihama, 5-Sanoor-Kalipora, 6-Hardu Malpora, 7-Bandagam, 8-Utligam, 9-Mula-Shulla, 10-Sonapah, 12-Gondipora, 21-Shanglipora, 22-Khag, 23-Malpora Khag, 24-Himchipora, 25-Lalpora, 26-Beerwah, 27-Chewdara, 28-Peth Mukahama, 29-Rathusun, 30-Bona Makhamma, 31-Nagam, 32-Iskanderpora, 33-Aripanthan, 34-Palpora, 36-Hardua-Shorsh in Tehsil Beerwah.
29. Khansahib PCs 1-Hokhalatri, 13-Phartahn, 14-Kandoora, 15-Drahg, 16-Sitaharan, 17-Zogikharian, 18-Arizal, 19-Qamroo, 20-Rawalpora-Berwah ; and PC 35- Sail in Tehsil Berwah; and PCs 13-Waterhail, 14-Jawalapora, 15-Sondipora, 16-Dalipora, 17-Yari Khah, 18-Talapora, 19-Parnawah, 20-Drayagram, 21-Frestwar Khasipora, 22-Arigam, 23-Khan Sahib, 24-Raithan, 25-Kachwari, 26-Gurwait Kalan, 27-Falchall in Tehsil Budgam.
30. Chrar-i-Sharief PCs 1-Gogji Pathari, 2-Brinjan, 3-Hafroo Batapora, 4-Branawar, 5-Surasyar, 6-Dada-Ompara, 7-Hanjura, 8-Nowpora, 9-Pakharpura, 10-Hardu Dalwan Futlipora, 11-Teelsarah, 12-Chrar-i-Sharief, 13-Watkaloo, 14-Darawan Nowgam, 15-Chtsesn, 17-Nagam, 18-Badipora, 19-Yarikalan, 20-Ropora Namtihal, 21-Kanir, 22-Ranger, 23-Sogam, 37-Nowhar in Tehsil Chadoora.

PULWAMA DISTRICT

31. Tral All PCs in Tehsil Tral.
32. Pampore All PCs in Tehsil Pampore and Patwar Circles 26-Awantipora, 27-Padgampora, 29-Lilhar, 46-Nihama, 47-Kakapora in Tehsil Pulwama.
33. Pulwama PCs 1-Inder, 2-Gangoo, 5-Pulwama with NAC, 9-Ratnipora, 10-Pahoo, 11-Trich, 12-Koil, 13-Pinglina, 14-Narwa, 17-Litter-Shistar, 18-Nayina, 19-Panzgam, 20-Dogripora, 21-Rishipora, 22-Laderpur, 23-Nownagri, 24-Tokna, 25-Malangpora, 28-Lajoora, 40-Palapora, 45-Newa, 48-Jagir Parigam, 49-Tumchi Nowpora, 50-Hakripora in Tehsil Pulwama.
34. Rajpora PCs 3-Karimabad, 4-Moran, 6-Kangan, 7-Wahibugh, 8-Gosoo, 15-Bonarah, 16-Trichal, 30-Ramoo, 31-Billowdergund, 32-Qasbayar, 33-Drubgam, 34-Mitrigam, 35-Abhama, 36-Trujan, 37-Khaigam, 38-Noorpura Payeen, 39-Arihal, 41-Tahab-Shadipora, 42-Achan, 43-Chandigam, 44-Rajpora in Tehsil Pulwama.
35. Wachi PCs 8-Kalroo Malikgund, 9-Nadigam, 11-Dangerpora, 12-Turka Wangam, 13-Urapora, 14-Hardu-Handow, 15-Harmain, 16-Chak-Chowand, 17-Kapran, 19-Dangam, 20-Chakora, 21-Pratabpora, 24-Kanji-Ullar, 25-Chitragam,, 26-Darikalpora, 27-Hef, 28-Sugar, 29-Awnera, 30-Wachi, 31-Aclar, 32-Zainapora, and 39-Allowpora-Sheikhpora in Tehsil Shopian.
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1	2	3
36.	Shopian	PCs 1-Saidapora, 2-Meemandar, 3-Arhama, 4-Pinjoora, 5-Ganowpora Arish, 6-Bemnipora, 7-Harapora, 10-Trenz, 18-Vehilchal-Awatoo, 22-Sedew, 23-Ram Nagri, 33-Diyaroo, 34-Barthipora, 35-Daramdoora, 36-Zoora-Baderhama, 37-Narapora, 38-Keegam, 40-Keller Mastpora, 41-Pahlipora, 42-Sindhu-Shrimal, 43-Shopian, 44-Devipora (forest block) in Tehsil Shopian.
ANANTNAG DISTRICT		
37.	Noorabad.	PCs 5-Malwan, 6- Pahloo, 7-Akhal, 23- Gudder, 34-Brinal Lamber, 46-Damhal-Hanjipora, 47- Ahmada-Abad, 48- Yaroo, 49 - Hardu-Mandagori, 51- Manzgam, 52-Asnoor, 53-Wattoo, 54-Avil, 55-Khuri-Batapora, 56-Nagam, 57-Danow-Kandimarg, 58-Bdi-Jehalan, 59-Chimar, 60-Qasba Khul, 61-Nandimarg in Tehsil Kulgam.
38.	Kulgam	PCs 1-Kulgam with NAC, 2-Hanad-Chawalgam, 3-Amnoo, 4-Chamabagund, 11-Ashmuji, 19-Mirhama, 20-Akey, 21-Pariwan, 22-Chehla, 24-Areh, 25-Bihibagh, 26-Gopalpora, 38-Bugam, 39-Tarigam-Devsar, 43-Yamroch, 44-Munand-Guffan, 45-Katersoo, 50-Largurhama in Tehsil Kulgam.
39.	Home-Shalibugh	PCs 8-Uranhal, 9-Tuli-Nowpora, 10-Kujar, 12-Redwani, 13-Arwani, 14-Frisal, 15-Jablipora, 16-Wanpora, 17-Hassanpora Tavela, 18-Khandi-Phari, 40-Tarigam-Devibugh, 41-Matibugh, 42-Homshalibugh in Tehsil Kulgam.
40.	Anantnag	PCs 1-Qasba Bhagat, 2-Khanabal, 3-Rooahoo, 4-Kamar, 5-Anchidoora, 6-Hardu-Chichan, 10-Ranbirpora in Tehsil Anantnag.
41.	Devsar	PCs 27-Devsar, 28-Bona Devsar, 29-Kilam-Buzgam, 30-Hablishi, 31-Nipora, 32-Laram-Ganipora, 33-Chowgam, 35-Razloo, 36-Waitengu, 37-Sopat Tengpora, 62-Oral in Tehsil Kulgam ; and PCs 18-Vesoo, 19-Nasoo-Badargund, 20-Panzeth, 21-Kurigam, 23- Qazigund with NAC in Doru Tehsil.
42.	Doru	PCs 1- Doru, 2-Bragam, 3-Oibamooth, 4-Mantpora, 5-Larkipora, 6-Hakura, - Badasgam, 7-Batgund, 8-Verinag, 9-Sadiwara, 10-Mundah, 11-Hiller, 12-Nowgam Shahabad, 13-Rain-Chowgund, 14-Thamankoot, 15-Qamar, 16-Halsidar, 17-Kapron, 22- Wangund in Tehsil Doru.
43.	Kokernag	PCs 28-Saagam, 29-Bider-Hayatpora, 30-Bhai, 31-Akingam, 32-Nagam, 33-Soof-Shali, 34-Panzgam, 35-Bindo-Zulangam, 36-Devalgam, 37-Nalla-Sund-Brari, 38-Lohar-Sanzi, 39-Ahlan-Gadol, 40-Kharatti, 41-Desoo, 42-Kharapora, 43-Qasba-Nowbugh, 44-Mati Hundoo, 45-Larnoo, 46-Kokernag NAC, 47-Achabal NAC in Tehsil Anantnag.
44.	Shangus	PCs 13-Sahibabad, 14-Nowgam, 15-Imoh, 16- Brakapora, 17-Shangus, 18-Uttarsoo, 19-Kreri, 20-Chatergul, 21-Ghikalpora, 22-Ranipora, 23-Detho-Nagnarian, 24-Gopalpora, 25-Telwani, 26-Kwarigam, 27-Ahupaisan in Tehsil Anantnag.
45.	Bijbehara	All PCs in Tehsil Bijbehara and PCs 7-Macha Bawan, 11-Nanilang, 12-Akora in Tehsil Anantnag.
46.	Pahalgam	All PCs in Tehsil Pahalgam and PCs 8-Seer-Kanligund, 9-Salia in Tehsil Anantnag.
DODA DISTRICT		
47.	Kishtwar	PCs 1-Marghi, 2-Inshan, 3-Yerudu, 4-Renai, 5-Nowpachi, 6-Chanjer, 7-Qaderana, 8-Deharana, 9-Lopara, 10-Loharna, 11-Soundhar, 19-Palmar, 30-Trigam, 31-Kishtwar, 32-Matta, 33-Poochal, 34-Dool, 35-Bhagnah, 36-Galarbahta, 37-Atholi, 38-Sohal, 39-Ishtiari, 40-Gulabgarh, 41-Massu, 42-Kishtwar NAC, 43-Forest Block in Tehsil Kishtwar.
48.	Inderwal	PCs 12-Chingam, 13-Inderwal, 14-Chatroo, 15-Sigdi, 16-Moolchhiter, 17-Drubeel, 18-Kochal, 20-Filler, 21-Pakhalan, 22-Keshwan, 23-Shandri, 24-Sangna, 25-Patnazi,

1	2	3
		26-Jawalapur, 27-Loundri, 28-Badhat and 29-Karool in Tehsil Kishtwar ; PCs 1-Jakyas in Tehsil Bhalesa (Gandoh) and following PCs of Tehsil Thathri :-- 1-Jangalwar, 3-Malanoo, 4-Kansu, 10-Kandote.
49.	Doda	All PCs of Tehsil Doda except 8-Dessa, 9-Dhandal, 10-Kastigarh, 11-Shamti, 12-Chaka Kundi, 13-Assar, 14-Charrota.
50.	Bhaderwah	All PCs of Tehsil Bhaderwah and PCs 2-Budhli, 3-Chilli, 4-Drawani, 5-Kahal Jugasar, 6-Budwar, 7-Chanisar, 8-Kilotran, 9-Kharangal, 10-Gandoh in Tehsil Bhalesa ; and PCs 2-Jora, 5-Bhaja, 6-Bhalla, 7-Jagiti, 8-Bhallari, 9-Rokali, 11-Pamshayee in Tehsil Thathri.
51.	Ramban (SC)	All PCs of Tehsil Ramban except 5-Sarbagni and PCs of 8-Dessa, 9-Dhandhal, 10-Kastigarh, 11-Shamti, 12-Chaka, 13-Assar, 14-Charrota of Tehsil Doda.
52.	Banihal	All PCs of Tehsil Banihal and 5-Sarbagni in Tehsil Ramban.
UDHAMPUR DISTRICT		
53.	Gulabgarh	PCs 2-Mahore, 2-Sarh, 3-Dewal, 4-Gulabgarh, 5-Chasote, 6-Bagankote, 7-Shergarhi, 8-Shikari, 9-Kanthi, 10-Tulibana, 13-Shajroo in Tehsil Gulabgarh and PC 16-Jij in Tehsil Reasi.
54.	Reasi	Tehsil Reasi except following PCs:— 1.Salal, 15-Chinkah, 16-Jij, 17-Thakrakote and following PCs of Tehsil Udhampur:— 13-Panjar, 14-Lali, 15-Ladah, 17-Dhandu, 18-Jhandawa, 32-Badhota and 19-Suhal.
55.	Gool Arnas	Following PCs of Tehsil Gool Gulabgarh:— 11-Thuru, 12-Bhudhan, 14-Kanthan, 15-Judda, 16-Dhanow, 17-Kali Masta, 18-Gool, 19-Thatharka, 20-Sangaldan, 21-Forest Block ; and 1-Salal, 15-Chinkah, 17-Thakrakote in Tehsil Reasi.
56.	Udhampur	All PCs of Tehsil Udhampur except the following PCs :— 13-Panjar, 14-Lali, 15-Ladha, 17-Dhandu, 18-Jhandawa, 19-Suhal, 20-Ludha, 21-Balian, 27-Sunjal, 29-Meer, 30-Kathi, 32-Badhota.
57.	Chenani (SC)	All PCs of Tehsil Chenani and following PCs of Tehsil Udhampur :— 20-Ladha, 21-Balian, 27-Sunjal, 29-Meer, 30-Kathi and following PCs of Tehsil Ramnagar. 10-Dudu, 11-Latti, 31-Ghordi, 33-Hartarian, 34-Dandal, 35-Barmeen, 36-Nalla Ghoran.
58.	Ramnagar	All PCs of Tehsil Ramnagar except the following :— 10-Dudu, 11-Latti, 31-Ghordi, 33-Hartarian, 34-Dandal, 35-Barmeen, 36-Nala Ghoran.
KATHUA DISTRICT		
59.	Bani	PCs 14-Bani, 15-Banjal, 16-Fatehpur, 17-Sandroon, 18-Rolka, 19-Buggah, 20-Lowang, 21-Kanthal, 22-Surjan, 23-Dhanggar, 24-Koti, 25-Forest Block in Tehsil Basohli and 9-Godu Flal, 10-Bdnota, 11-Machadi, 20-Malhar in Tehsil Billawar.
60.	Basohli	PCs 1-Thein, 2-Basantpur, 3-Lakhanpur, 4-Hatli, 7-Tridwan, 36-Lakhanpur NAC, 29-Berthian and 30-Sorlian in Tehsil Kathua and PCs 1-Basohli, 1-a-Basohli NAC, 2-Sandhar, 3-Hutt, 4-Bhoond, 5-Saman, 6-Dhar Jankar, 7-Dhar Mahanpur, 8-Plahi, 9-Prita, 10-Saber, 11-Patti, 12-Athalith, 13-Mahanpur in Tehsil Basohli and PCs 21-Dhar Digno, 22-Huttar, 23-Dambra in Tehsil Billawar.

1	2	3
61.	Kathua	PCs 5-Dilwan, 6-Maha, 8-Kharote, 9-Taraf Manjili, 10-Taraf Tajwal, 11-Karian, 12-Taraf Bajwal, 13-Changran, 14-Govindsar, 15-Chak Soon Noopa, 16-Khakhyal, 17-Mirpur Ram, 18-Taraf Balla, 20-Katharian, 21-Janglote, 22-Loagate, 23-Jakhbar, 24-Airwan, 26-Chak Sakta, 27-Budhi, 28-Nanan, 31-Barwal, 32-Jherhere, 33-Kathua Forest Block, 34-Kathua NAC , 35-Perlain and 25-Folote in Tehsil Kathua.
62.	Billawar	PCs 11-Katli, 17-Bhaya, 21-Denga Amb, 23-Dhamal, 25-Mangloor, 26-Chelakh, 27-Salain in Tehsil Hiranagar and PCs 1-Ramkot, 2-Makwal, 3-Salora, 4-Rajwlta, 5-Danjisdhar, 6-Thara Kalwal, 7-Kalyal, 8-Thanthoo, 12-Kohag, 13-Malti, 14-Durang, 15-Dharan Kote, 16-Bhaddu, 17-Billawar, 18-Billawar NAC, 19-Buggan, 24-Parnala, 25-Pallan in Tehsil Billawar and PC 19-Juthana in Tehsil Kathua.
63.	Hiranagar (SC)	1-Jatwal, 2-Nonath, 3-Ghagwal, 4-Sarath, 5-Bhatyari Kotlan, 6-Sanoora, 7-Mawa, 8-Nohran, 9-Chachwal, 10-Sarti Kalan, 12-Chak Dulma, 13-Jondi, 14-Londi, 15-Rajpura, 16-Kootah, 18-Gurah Mathian, 19-Bavia, 20-Katal Brahmana, 24-Hamirpur, 28-Chhan Rorian, 29-Marheen, 22-Saiswan, 30-Khanpur, 31-Hiranagar, 32-Hiranagar NAC, 33-Pansar, 34-Kore Punu, 35-Chak Deva, 36-Chak Bhagwana, 37-Chak Kahna, 38-Chadwal, 39-Forest Block in Tehsil Hiranagar.
JAMMU DISTRICT		
64.	Samba (SC)	PCs 1-NAC Samba, 2-Samba Khas, 3-Taloor, 4-Amli, 5-Durin, 6-Katli, 7-Ram Nagar, 8-Pingdore, 11-Sunian, 10-Sarna, 12-Bhartgarh, 13-Suran, 14-Goran, 15-Balhter, 17-Katwalta, 18-Kharah Madena, 21-Baghore, 22-Purmandal, 24-Mohar Garh, 25-Badhari, 26-Kard in Tehsil Samba and PC 28-Chaudi in Jammu Tehsil.
65.	Vijaypur	PCs 9-Khanpur, 20-Vijaypur, 23-Gurah Salathian, 28-Harmander, 29-Chak Salarian, 30-Nanga, 31-Logwal, 32-Keso Manhasan, 33-Ramgarh, 34-Gho-Brahmana, 35 Chak Chataka, 36-Chann Fatwal, 37-Abtal, 38-Swankha, 39-Mahal Shan, 40-Rari, 41-Smailpur, 27-Birpur, 42-Tarore, 43-Bagla, 44-Gandwal in Tehsil Samba.
66.	Nagrota	PCs 39-Ranjan, 40-Sarote, 41-Jandial, 42-Gorda, 44-Nagrota, 45-Dansal, 46-Jhajar Kotli, 47-Thara, 48-Bamyal, 49-Katal Batal, 50-Shiba, 51-Jagti, 52-Jindrah, 53-Kanyala, 54-Kothar, 55-Kharte, 56-Dhan, 57-Songoon, 58-Ponthal, 59-Surinsar in Tehsil Jammu and PCs 16-Bain Bajalta, 19-Aitham in Tehsil Samba.
67.	Gandhinagar	Ward-16 (Gandhinagar), Ward-17 (Naibasti), Ward-22 (Chhani Rama), Ward-23 (Bahu), 24-Digiana, 26-Bahu, 27-Sunjwan, 29-Gadigarh, 30-Satwari in Tehsil Jammu.
68.	Jammu East	Wards 1 to 6, 9, 10, 12 and 15.
69.	Jammu West	Wards 7, 8, 11, 13, 14, 18, 19, 20 and 21.
70.	Bishnah	All PCs in Tehsil Bishnah and 25-Naugran in Tehsil Jammu.
71.	R. S. Pura (SC)	PCs 1-Salhar, 2-Rathana, 3-Kandlihar, 4-Khour, 5-Kalyana, 14-R. S. Pura with NAC, 15-Khas Gigian, 16-Chohalla, 19-Kirpind, 20-Kotli Shah Dula, 25-Marlia, 24-Darsopur, 35-Gondla in Tehsil R. S. Pura.
72.	Suchetgarh	PCs 6-Dablihar, 7-Magowali, 8-Parlah, 9-Chak Baza, 10-Nekowal, 11-Jevroh, 12-Saie Kalan, 13-Chak Mulo, 17-Badyal Brahmana, 18-Jssore, 21-Chak Agra, 22-Fatehpur Brahmana, 25-Samka, 26-Baspur, 27-Rangpur Malana, 28-Suchetgarh, 29-Chandu Chak, 30-Satowali, 31-Grarana, 32-Badyal Qazian, 33-Abdal, 34-Chakroi in Tehsil R. S. Pura.
73.	Marh	PCs 60-Prahaladpur, 61-Mandal, 62-Sum, 65-Gho Manhasan, 66-Sohanjana, 67-Thub, 68-Sahran, 69-Rathua, 70-Chanore, 71-Makwal, 72-Gool, 74-Gajansoo, 75-Kalyanpur, 76-Kahnachak, 77-Marh, 78-Gangoo Chak, 79-Kalrup, 80-Dhateryal, 31-Flora Nagbani in Tehsil Jammu.

1	2	3
74.	Raipur Domana (SC)	PCs 31-Paloura, 32-Muthi, 33-Barn, 34-Siri Panditan, 35-Gharota, 36-Raipur Domana, 37-Kot Bhalwal, 38-Amb, 43-Kaink, 63-Hakkal, 64-Khandwal, 73-Bhadora, 82-Panjore in Tehsil Jammu.
75.	Akhnoor	PCs 1-Chowki, 2-Choura, 3-Kathar, 4-Mandarian, 8-Narri, 6-Ambaran, 7-Barui, 9-Ganderwan, 10-Manda, 11-Akhnoor Khas, 12-Sungal, 13-Pangairi, 14-Devipur, 15-Chak Kirpalpur, 16-Jadh, 17-Muthi Maira, 18-Rakh Dhoke, 19-Saliote, 20-Ghar Majoor, 21-Mawa Brahmana, 22-Leherian in Tehsil Akhnoor.
76.	Chhamb (SC)	PCs 8-Mattoo, 24-Gurah Manhasan, 25-Sarwal, 23-Pargwal, 26-Bhalwal Malu, 27-Hamirpur, 28-Bakore, 29-Chak Malal, 30-Derian, 31-Sainth, 32-Gigarial, 33-Khour, 34-Kot Mera, 35-Palanwala, 36-Kharah, 37-Nathal, 38-Door, 39-Chhani Dewanoo, 40-Samuan, 41-Chakla in Tehsil Akhnoor.

RAJOURI DISTRICT

77.	Nowshera	All PCs of Tehsil Nowshara except 11-Narian and all PCs of Tehsil Sunderbani.
78.	Darhal	All PCs of Tehsil Budhal except 3-Khawas, 6-Kote Chalwal and following PCs of Tehsil Thanamandi :— 5-Darhal, 6-Chowdian, 7-Nadian, 8-Ujhan ; and PC 4-Nagrota in Tehsil Rajouri.
79.	Rajouri	Following PCs of Tehsil Rajouri :— 1-Gambir Muglan, 2-Dani-Dhar, 7-Bathooni, 8-Sarola, 9-Sohana, 10-Doongi Brahmana, 11-Katarmal, 12-Deri Delote, 13-Panj Grain, 14-Galhoti, 15-Fatehpur, 17-Bagla, 19-Rampur with NAC Rajouri with following PCs of Thanamandi Tehsil:— 1-Dodasan Balla, 2-Saaj, 3-Shahdara Sharief, 4-Hosploite, 10-Thanamandi with NAC and 9-Bharote.
80.	Kalakote	All PCs of Tehsil Kalakote and following PCs of Tehsil Rajouri :— 2-Dalhari, 3-Dhangri, 6-Potha Grlana, 16-Khanpur Chingus, 18-Bhadoon and PC 11-Narian of Tehsil Nowshera ; and 3-Khaskote Chalwal of Budhal Tehsil.

POONCH DISTRICT

81.	Surankote	All PCs in Surankote Tehsil and PCs 12-Rajpur, 21-Shindra, 22-Seri-Khawja in Poonch Tehsil.
82.	Mendhar	All PCs of Tehsil Mendhar.
83.	Poonch Haveli	All PCs of Tehsil Poonch except 12-Rajpur, 21-Shindra, 22-Sheri Khawja.

Note.—Any reference in this table to a Tehsil, Patwar Circle (P.C.), Ward or N.A.C. (Notified Area Committee) shall be taken to mean the area comprised within that Tehsil, Patwar Circle, Notified Area Committee or Ward as on 1-4-1995.

The Fourth Schedule*(See Sections 16, 24 and 54)***FORMS OF OATHS OR AFFIRMATIONS****I****FORM OF OATH OR AFFIRMATION TO BE MADE BY A CANDIDATE FOR ELECTION TO THE LEGISLATIVE ASSEMBLY OF THE UNION TERRITORY OF JAMMU AND KASHMIR**

"I, A.B., having been nominated as a candidate to fill a seat in the Legislative Assembly of _____ do swear in the name of God/ solemnly affirm that I will bear true faith and allegiance to the Constitution of India as by law established and that I will uphold the sovereignty and integrity of India."

II**FORM OF OATH OR AFFIRMATION TO BE MADE BY A MEMBER OF THE LEGISLATIVE ASSEMBLY OF THE UNION TERRITORY OF JAMMU AND KASHMIR**

"I, A.B., having been elected (or nominated) a member of the Legislative Assembly of _____ do swear in the name of God/ solemnly affirm that I will bear true faith and allegiance to the Constitution of India as by law established, that I will uphold the sovereignty and integrity of India and that I will faithfully discharge the duty upon which I am about to enter."

III**FORM OF OATH OF OFFICE FOR A MEMBER OF THE COUNCIL OF MINISTERS OF THE UNION TERRITORY OF JAMMU AND KASHMIR**

"I, A.B., _____ do swear in the name of God/ solemnly affirm that I will bear true faith and allegiance to the Constitution of India as by law established, that I will uphold the sovereignty and integrity of India, that I will faithfully and conscientiously discharge my duties as a Minister for the Union territory of _____, and that I will do right to all manner of people in accordance with the Constitution and the law without fear and favour, affection or ill-will."

IV**FORM OF OATH OF SECRECY FOR A MEMBER OF THE COUNCIL OF MINISTERS OF THE UNION TERRITORY OF JAMMU AND KASHMIR**

"I, A.B., _____ do swear in the name of God/ solemnly affirm that I will not directly or indirectly communicate or reveal to any person or persons any matter which shall be brought under my consideration or shall become known to me as a Minister for the Union territory of _____, except as may be required for the due discharge of my duties as such Minister."

The Fifth Schedule*(See Sections 95 and 96)***TABLE - 1****CENTRAL LAWS MADE APPLICABLE TO THE UNION TERRITORY OF JAMMU AND KASHMIR; AND UNION TERRITORY OF LADAKH**

S.No.	Name of the Act	Section/Amendments
1.	The Aadhar (Targeted Delivery of Financial and other subsidies, benefits and services) Act, 2016.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
2.	The Administrative Tribunal Act, 1985.	Clause (b) of sub-section (2) of section 1 shall be omitted.
3.	The Anand Marriage Act, 1951.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
4.	The Arbitration and Conciliation Act, 1996.	Proviso to sub-section (2) of section 1 shall be omitted.
5.	The Benami Transactions (Prohibition) Act, 1988.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
6.	The Charitable Endowment Act, 1890.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
7.	The Chit Funds Act, 1982.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
8.	The Code of Civil Procedure, 1908.	Clause (a) of sub-section (3) of section 1 shall be omitted.
9.	The Code of Criminal Procedure, 1973.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
10.	The Commercial Courts Act, 2015.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
11.	The Commission for Protection of Child's Rights Act, 2006.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
12.	The Commission of Inquiry Act, 1952.	Proviso to sub-section (2) of section 1 shall be omitted.
13.	The Consumer Protection Act, 1986.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
14.	The Contempt of Courts Act, 1971.	Proviso to sub-section (2) of section 1 shall be omitted.
15.	The Delimitation Act, 2002.	Section 2(f) shall be omitted.
16.	The Dissolution of Muslim Marriage Act, 1939.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
17.	The Disturbed Areas (Special Courts) Act, 1976.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
18.	The Dowry Prohibition Act, 1961.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
19.	The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
20.	The Easements Act, 1891.	Extended as whole.

S.No.	Name of the Act	Section/Amendments
21.	The Electricity Act, 2003.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
22.	The Employees Provident Funds and Miscellaneous Provisions Act, 1952.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
23.	The Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993.	Extended as whole.
24.	The Enemy Property Act, 1968.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
25.	The Energy Conservation Act, 2001.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
26.	The Family Courts Act, 1984.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
27.	The Fatal Accidents Act, 1855.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
28.	The Forest (Conservation) Act, 1980.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
29.	The General Clauses Act, 1897.	Extended as whole.
30.	The Governors (Emoluments, Allowances & Privileges) Act, 1982.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
31.	The Gram Nyayalayas Act, 2009.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
32.	The Guardian & Wards Act, 1890.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
33.	The Hindu Adoptions and Maintenance Act, 1956.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
34.	The Hindu Disposition of Property Act, 1960.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
35.	The Hindu Marriage Act, 1955.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
36.	The Hindu Minority & Guardianship Act, 1956.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
37.	The Hindu Succession Act, 1956.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
38.	The Identification of Prisoners Act, 1920.	Extended as whole.
39.	The Indecent Representation of Women (Prohibition) Act, 1986.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
40.	The Indian Boiler Act, 1923.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
41.	The Indian Christian Marriage Act, 1872.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
42.	The Indian Contract Act, 1872.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.

S.No.	Name of the Act	Section/Amendments
43.	The Indian Easements Act, 1882.	Extended as whole.
44.	The Indian Evidence Act, 1872.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
45.	The Indian Forest Act, 1927.	Extended as whole.
46.	The Indian Nursing Council Act, 1947.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
47.	The Indian Partnership Act, 1932.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
48.	The Indian Penal Code, 1860.	In section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
49.	The Indian Stamp Act, 1899.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
50.	The Indian Succession Act, 1925.	Extended as whole.
51.	The Indian Trust Act, 1882.	In section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
52.	The Indian Veterinary Council Act, 1984.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
53.	The Judges (Protection) Act, 1985.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
54.	The Judicial Officers (Protection) Act, 1850.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
55.	The Juvenile Justice (Care & Protection of Children) Act, 2015.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
56.	The Legal Services Authorities Act, 1987.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
57.	The Limitation Act, 1963.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
58.	The Maintenance and Welfare of Parents and Senior Citizens Act, 2007.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
59.	The Majority Act, 1875.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
60.	The Medical Termination of Pregnancy Act, 1971.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
61.	The Muslim Personal Law (Shariat) Application Act, 1937.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
62.	The Muslim Women (Protection of Rights on Divorce) Act, 1986.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
63.	The National Commission for Minorities Act, 1992.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
64.	The National Commission for Minority Educational Institutes Act, 2005.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
65.	The National Commission for Safaikaramcharis Act, 1993.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.

S.No.	Name of the Act	Section/Amendments
66.	The National Commission for Women Act, 1990.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
67.	The National Council for Teacher Education Act, 1993.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
67-A	National Security Act, 1980	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
68.	The National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
69.	The Oaths Act, 1969.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
70.	The Partition Act, 1893.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
71.	The Pharmacy Act, 1948.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
72.	The Powers of Attorney Act, 1882.	In section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
73.	The Preconception and Pre-natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
74.	The Prevention of Blackmarketing & Maintenance of Supplies of Essential Commodities Act, 1980.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
75.	The Prevention of Corruption Act, 1988.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
76.	The Prevention of cruelty to animals Act, 1960.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
77.	The Prevention of Damage to Public Property Act, 1984.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
78.	The Prisoners Act, 1900.	Extended as whole.
79.	The Prisons Act, 1894.	Extended as whole.
80.	The Private Security Agencies (Regulation) Act, 2005.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
81.	The Prize Chits and Money Circulation Scheme (Banning) Act, 1978.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
82.	The Probation of Offenders Act, 1958.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
83.	The Prohibition of Child Marriage Act, 2007.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
84.	The Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
85.	The Protection of Children From Sexual Offences Act, 2012.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.

S.No.	Name of the Act	Section/Amendments
86.	The Protection of Human Rights Act, 1994.	Proviso to sub-section (2) of section 1 shall be omitted.
87.	The Protection of Women from Domestic Violence Act, 2005.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
88.	The Public Gambling Act, 1867.	Extended as whole.
89.	The Public Records Act, 1993.	Extended as whole.
90.	The Registration Act, 1908.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
91.	The Religious Endowments Act, 1863.	Extended as whole.
92.	The Religious Institutions (Prevention of Misuse) Act, 1988.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
93.	The Right of Children to Free and Compulsory Education Act, 2009.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
94.	The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
94A.	The Representation of People Act, 1951.	In Section (2), (i) In sub-section (1) Clause (d) the words "other than the State of Jammu and Kashmir" shall be omitted; and (ii) Sub-section (5) shall be omitted.
95.	The Right to Information Act, 2005.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
96.	The Sale of Goods Act, 1930.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
97.	The Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forests Rights) Act, 2007.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
98.	The Scheduled Caste and the Scheduled Tribes (Prevention of Atrocities) Act, 1989.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
99.	The Special Marriage Act, 1954.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
100.	The Specific Relief Act, 1963.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
101.	The Suits Valuation Act, 1887.	Extended as whole.
102.	The Transfer of Property Act, 1882.	Extended as whole.
103.	The Transplantation of Human Organs and Tissues Act, 1994.	Extended as whole.
104.	The Wakf Act, 1995.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
105.	The Whistle Blowers Protection Act, 2014.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.
106.	The Wild Life (Protection) Act, 1972.	In sub-section (2) of section 1, words, "except the State of Jammu and Kashmir" shall be omitted.

TABLE - 2

**STATE LAWS WHICH SHALL BE APPLICABLE TO THE UNION TERRITORY OF JAMMU AND KASHMIR
AND UNION TERRITORY OF LADAKH WITH AMENDMENTS**

S.No.	Year	No.	Short title	Amendments
1	2	3	4	5
1.	Svt 1977 (1920AD)	XLII	The Transfer of Property Act	Section 139 and section 140 shall be omitted.
2.	Svt 1995 (1938AD)	V	The Jammu and Kashmir Alienation of Land Act	Section 4 and section 4-A shall be omitted;
3.	Svt 2007 (1950AD)	XVII	The Jammu and Kashmir Big Landed Estates Abolition Act	Section 20-A shall be omitted.
4.	1960	XXXVIII	The Jammu and Kashmir Land Grants Act	A. Provisos to sub-section 1 of section 4 shall be omitted; and B. Clause (i) of sub-section 2 of section 4 shall be omitted.
5.	1976	XVII	The Jammu and Kashmir Agrarian Reforms Act	Section 17 shall be omitted.
6.	1989	X	The Jammu and Kashmir Cooperative Societies Act	Sub-Clause (ii) of clause (a) of sub-section (1) of section 17 shall be omitted.
7.	2004	XIV	The Jammu and Kashmir Reservation Act	A. In section 2 after clause (g), the following clause shall be inserted namely:— "(ga) "economically weaker sections" means such categories as may be notified by the Government from time to time, on the basis of family income and other indicators of economic disadvantage, other than the classes or categories defined in clauses (m), (n) and (o); B. In section 3, in sub-section (1),— (i) in clause (a), the word "and" occurring at the end shall be omitted; (ii) in clause (b), for the words "backward classes:", the words "backward classes; and" shall be substituted; (iii) after clause (b), the following clause shall be inserted, namely:— "(c) economically weaker sections:"; (iv) in the first proviso, for the words "the total percentage of reservation", the words, brackets and letters "the total percentage of reservation provided in clauses (a) and (b)" shall be substituted; (v) in the second proviso, for the words "Provided further that", the following shall be substituted, namely:—

1**2****3****4****5**

"Provided further that the reservation in appointments in favour of the persons belonging to economically weaker sections shall be in addition to the existing reservation as provided in this sub-section and shall be subject to a maximum of ten per cent. of the posts in each category:

Provided also that".

C. In section 9, in sub-section (1),—

(i) for the portion beginning with "shall reserve" and ending with "from time to time;", the following shall be substituted, namely:—

"shall reserve seats in the Professional Institutions for candidates belonging to,—

(a) reserved categories and such other classes or categories as may be notified from time to time; and

(b) economically weaker sections:";

(ii) in the proviso, for the words "the total percentage of reservation", the words, brackets and letter "the total percentage of reservation provided in clause (a)" shall be substituted;

(iii) after the proviso, the following proviso shall be inserted, namely:—

"Provided further that the reservation in the Professional Institutions in favour of the persons belonging to economically weaker sections shall be in addition to the existing reservation as provided in this sub-section and shall be subject to a maximum of ten per cent. of the seats in each category.".

TABLE - 3

STATE LAWS INCLUDING GOVERNOR'S ACTS WHICH ARE REPEALED IN UNION TERRITORY OF JAMMU AND KASHMIR; AND UNION TERRITORY OF LADAKH

S.No.	Name of the Act	Act/Ordinance No.
1.	The Jammu and Kashmir Accountability Commission Act, 2002.	XXXVIII of 2002
2.	The Jammu and Kashmir Advocates Welfare Fund Act, 1997.	XXVI of 1997
3.	The Jammu and Kashmir Agricultural Income Tax Act, 1962.	XXI of 1962
4.	The Jammu and Kashmir [State] Agricultural Produce Marketing Regulation Act, 1997.	XXXVI of 1997
5.	The Jammu and Kashmir Anand Marriage Act, 1954.	IX of 2011
6.	The Jammu and Kashmir Animal Diseases (Control) Act, 1949.	XV of 2006
7.	The Jammu and Kashmir Apartment Ownership Act, 1989.	I of 1989
8.	The Jammu and Kashmir Arbitration and Conciliation Act, 1997.	XXXV of 1997
9.	The Jammu and Kashmir Arya Samajist Marriages (Validation) Act, 1942.	III of Svt. 1999
10.	The Jammu and Kashmir Ayurvedic and Unani Practitioners Act, 1959.	XXVI of 1959
11.	The Jammu and Kashmir Banker's Books Evidence Act, 1920.	VI of 1977
12.	The Jammu and Kashmir Benami Transactions (Prohibition) Act, 2010.	V of 2010
13.	The Jammu and Kashmir Boilers Act, Samvat, 1991.	IV of Svt. 1991
14.	Buddhists Polyandrous Marriages Prohibition Act, 1941.	II of 1998
15.	The Jammu and Kashmir Cattle Trespass Act, 1920.	VII of 1977
16.	The Jammu and Kashmir Charitable Endowments Act, 1989.	XIV of 1989
17.	The Jammu and Kashmir Chit Funds Act, 2016.	XI of 2016
18.	The Jammu and Kashmir Christian Marriage and Divorce Act, 1957.	III of 1957
19.	The Jammu and Kashmir Cinematograph Act, 1933.	XXIV of 1989
20.	Code of Civil Procedure, Samvat 1977.	X of Svt. 1977
21.	Code of Criminal Procedure, Samvat 1989.	XXIII of Svt. 1989
22.	The Jammu and Kashmir Collection of Statistics Act, 2010.	XVIII of 2010
23.	The Jammu and Kashmir [State] Commission for Women Act, 1999.	V of 1999
24.	The Jammu and Kashmir Commission of Inquiry Act, 1962.	XXXII of 1962
25.	The Jammu and Kashmir Consumer Protection Act, 1987.	XIVI of 1987
26.	The Jammu and Kashmir Contempt of Courts Act, 1997.	XXV of 1997
27.	The Jammu and Kashmir Contingency Fund Act, 1957.	XXIV of 1957
28.	The Jammu and Kashmir Contract Act, Samvat 1977.	IX of Svt. 1977
29.	The Jammu and Kashmir Court Fees Act, Samvat 1977.	VII of Svt. 1977
30.	The Jammu and Kashmir Court of Wards Act, Samvat 1977.	LII of Svt. 1977

S.No.	Name of the Act	Act/Ordinance No.
31.	The Jammu and Kashmir Criminal Law Amendment Act, Svt 1993.	I of Svt. 1993
32.	The Jammu and Kashmir Criminal Law Amendment Act, 1958.	III of 1958
33.	The Jammu and Kashmir Criminal Law Amendment Act, 1983.	X of 1983
34.	The Jammu and Kashmir Customs Act, Svt 1958.	VIII of Svt.1958
35.	The Jammu and Kashmir Dehi Adalats Act, 2013.	XV of 2013
36.	The Jammu and Kashmir Destruction of Records Act, 1920.	XII of 1977
37.	The Jammu and Kashmir Displaced Persons (Permanent Settlement) Act, 1971.	X of 1971
38.	The Jammu and Kashmir Dissolution of Muslim Marriages Act, 1942.	X of Svt.1999
39.	The Jammu and Kashmir Dowry Restraint Act, 1960.	XXXVI of 1960
40.	The Jammu and Kashmir Easements Act, 1920.	XIV of Svt.1977
41.	The Jammu and Kashmir Electricity Act, 2010.	XIII of 2010
42.	The Jammu and Kashmir Electricity (Duty) Act, 1963.	XI of 1963
43.	The Jammu and Kashmir Employees Provident Funds (And) Miscellaneous Provisions Act, 1961.	XV of 1961
44.	The Jammu and Kashmir Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 2010.	XIX of 2010
45.	The Jammu and Kashmir Energy Conservation Act, 2011.	XIV of 2011
46.	The Jammu and Kashmir Epidemic Diseases Act, 1920.	XVI of 1977
47.	(State) Evacuees (Administration of Property) (Validation of Orders, Proceedings and Acts) Act, 1958.	IV of 1958
48.	The Jammu and Kashmir Evidence Act, Samvat 1977 (1920 A.D).	XIII of Svt.1977
49.	The Jammu and Kashmir Fatal Accidents Act, Samvat 1977.	XVII of Svt.1977
50.	The Jammu and Kashmir Forest Act, Samvat 1987.	II of Svt.1987
51.	The Jammu and Kashmir Forest (Conservation) Act, 1997.	XXX of 1997
52.	The Jammu and Kashmir Forest (Sale of Timber) Act, Samvat 1987.	III of Svt.1987
53.	The Jammu and Kashmir General Clauses Act, Samvat 1977.	XX of Svt. 1977
54.	The Jammu and Kashmir Good Conduct Prisoners (Temporary Release) Act, 1978.	VII of 1978
55.	Government Servants (Held in Detention) Act, 1956.	XV of 1956
56.	The Jammu and Kashmir Grant of Permit for Resettlement in (or Permanent Return to) the State Act, 1982.	X of 1982
57.	The Jammu and Kashmir Guardians and Wards Act, Samvat 1977.	XIX of Svt.1977
58.	The Jammu and Kashmir Hindu Adoptions and Maintenance Act, 1960.	II of 1960
59.	The Jammu and Kashmir Hindu Disposition of Property Act, Samvat 1997.	XVI of Svt. 1997
60.	The Jammu and Kashmir Hindu Inheritance (Removal of Disabilities) Act, Samvat 1997.	XVIII of Svt. 1997
61.	The Jammu and Kashmir Hindu Marriage Act, 1980.	IV of 1980
62.	The Jammu and Kashmir Hindu Marriage (Validation of Proceedings) Act, 1963.	XVI of 1963

S.No.	Name of the Act	Act/Ordinance No.
63.	The Jammu and Kashmir Hindu Minority and Guardianship Act, 1957.	VII of 1957
64.	The Jammu and Kashmir Hindu Succession Act, 1956.	XXXVIII of 1956
65.	The Jammu and Kashmir Hindu Widows Remarriage and Property Act, Samvat 1989.	XXIX of Svt. 1989
66.	The Jammu and Kashmir Homeopathic Practitioner Act, 2003.	VIII of 2003
67.	The Jammu and Kashmir Identification of Prisoners Act, Samvat 1994.	IV of Svt. 1994
68.	The Jammu and Kashmir Infant Marriages Prevention Act, Samvat 1985.	I of Svt. 1985
69.	Instruments (Control of Noises) Act, 1959.	VII of 1959
70.	Judicial Officers Protection Act, 1971.	
71.	The Jammu and Kashmir Juvenile Justice (Care and Protection of Children) Act, 2013.	VII of 2013
72.	The Jammu and Kashmir Juvenile Smoking Act, Samvat 1986.	II of Svt. 1986
73.	Land Acquisition Act, Samvat 1990.	X of Svt. 1990
74.	Legal Practitioners (Fees) Act, Samvat 1988.	VII of Svt. 1988
75.	The Jammu and Kashmir Legal Representatives Suits Act, Samvat 1977.	XXII of Svt. 1977
76.	The Jammu and Kashmir Legal Services Authorities Act, 1997.	XXXIII of 1997
77.	The Jammu and Kashmir Limitation Act, Samvat 1995.	IX of Svt. 1995
78.	The Jammu and Kashmir Livestock Improvement Act, Samvat 1996.	XXIII of Svt. 1996
79.	The Jammu and Kashmir Local Authorities Loans Act, Samvat 1997.	VI of Svt. 1997
80.	The Jammu and Kashmir Lunacy Act, Samvat 1977.	XXV of Svt. 1997
81.	The Jammu and Kashmir Maintenance and Welfare of Parents and Senior Citizens Act, 2014.	XVI of 2014
82.	The Jammu and Kashmir Majority Act, Samvat 1977.	XXVI of Svt. 1977
83.	The Jammu and Kashmir Medical Registration Act, Samvat 1998.	IV of Svt. 1998
84.	The Jammu and Kashmir Medical Termination of Pregnancy Act, 1974.	XXIII of 1974
85.	The Jammu and Kashmir Muslim Dower Act, Samvat 1977.	XLIV of Svt. 1977
86.	The Jammu and Kashmir Muslim Personal Law (Shariat) Application Act, 2007.	IV of 2007
87.	The Jammu and Kashmir Muslim Specified Wakafs and Specified Wakaf Properties (Management and Regulation) Act, 2004.	VIII of 2004
88.	The Jammu and Kashmir Nationalization of Forest Working Act, 1987.	VII of 1987
89.	(State) Newspapers (Incitements to Offences) Act, Svt 1971.	VIV of Svt. 1971
90.	The Jammu and Kashmir Nursing Council Act, 2012.	IV of 2012
91.	The Jammu and Kashmir Nursing Homes and Clinical Establishments (Registration and Licensing) Act, 1963.	XXXIX of 1963
92.	Official Secrets Act, Samvat 1977.	XLIII of Svt. 1977
93.	Opium Smoking Act, Samvat 2011.	XXXII of Svt. 2011
94.	Essential Services (Maintenance) Ordinance, Samvat 2001.	IX of Svt. 2001
95.	Hoarding and Profiteering Prevention Ordinance, Samvat 2000.	XIX of Svt. 2000

S.No.	Name of the Act	Act/Ordinance No.
96.	Police Enhanced Penalties Ordinance, Samvat 2005.	III of Svt. 2005
97.	Prevention of Corruption Ordinance, 2001.	IV of Svt. 2001
98.	The Jammu and Kashmir Public Servants Transfer of Immovable Property (Restriction) Ordinance, 2004.	XXX of Svt.2004
99.	The Jammu and Kashmir Partition Act, Samvat 1977.	XXX of Svt. 1977
100.	The Jammu and Kashmir Partnership Act, Samvat 1996.	V of Svt. 1996
101.	The Jammu and Kashmir Permanent Residents Certificate (Procedure) Act, 1963.	XIII of 1963
102.	The Jammu and Kashmir Pharmacy Act, Samvat 2011.	LIII of Svt. 2011
103.	The Jammu and Kashmir Poisons Act, Samvat 1977.	XXXIV of Svt.1977
104.	The Jammu and Kashmir Preconception and Prenatal Sex Selection (Prohibition and Regulation) Act, 2002.	XXXI of 2002
105.	(State) Press and Publications Act, Svt 1989.	I of Svt. 1989
106.	The Jammu and Kashmir Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1988.	XXV of 1988
107.	The Jammu and Kashmir Prevention of Corruption Act, Samvat 2006.	XIII of Svt. 2006
108.	The Jammu and Kashmir Prevention of Cruelty to Animals Act, Samvat 1990.	XIII of Svt. 1990
109.	The Jammu and Kashmir Prevention of Defacement of Property Act, 1985.	XIX of 1985
110.	The Jammu and Kashmir Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988.	XXIII of 1988
111.	The Jammu and Kashmir Prevention of Insult to State Honour Act, 1979.	X of 1979
112.	The Jammu and Kashmir Prisoners Act, Svt 1977.	XXXIII of Svt.1977
113.	The Jammu and Kashmir Prisons Act, Svt 1977.	XXXI of Svt. 1977
114.	The Jammu and Kashmir Private Security Agencies (Regulation) Act, 2015.	IX of 2015
115.	The Jammu and Kashmir Prize Competition Act, 1956.	XII of 1956
116.	The Jammu and Kashmir Probation of Offenders Act, 1966.	XXXVII of 1966
117.	The Jammu and Kashmir Protection of Human Rights Act, 1997.	XV of 1997
118.	The Jammu and Kashmir Protection of Women from Domestic Violence Act, 2010.	XI of 2010
119.	The Jammu and Kashmir Provident Funds Act, Svt 1998.	XXII of Svt. 1998
120.	The Jammu and Kashmir Public Gambling Act, Svt 1977.	XVIII of Svt. 1977
121.	The Jammu and Kashmir Public Property (Prevention of Damage) Act, 1985.	XX of 1985
122.	The Jammu and Kashmir Public Servants (Inquiries) Act, Svt 1977.	XXVIII of Svt.1977
123.	(State) Ranbir Penal Code, Samvat 1989.	XII of Svt. 1989
124.	The Jammu and Kashmir Registration Act, Svt. 1977.	XXXV of Svt.1977
125.	The Jammu and Kashmir Registration (Amendment and Validation of Transfers of property) Act, 1955.	VI of 1955
126.	Registration of Deeds (Validating) Act, Samvat 2008.	VI of Svt. 2008
127.	Registration of Deeds (Validation) Act, 1956.	XXI of 1956

S.No.	Name of the Act	Act/Ordinance No.
128.	Registration of Deeds (Validating) Act, 1968.	XXXIII of 1968
129.	Registration of Deeds (Validation) Act, 1976.	I of 1976
130.	Registration of Deeds (Validation) Act, 1985.	IX of 1985
131.	The Jammu and Kashmir Religious Endowments Act, Svt 1977.	L of Svt.1977
132.	The Jammu and Kashmir Representation of the People Act, 1957.	IV of 1957
133.	The Jammu and Kashmir Requisitioning and Acquisition of Immovable Property Act, 1968.	XXXV of 1968
134.	The Jammu and Kashmir Right to Information Act, 2009.	VIII of 2009
135.	The Jammu and Kashmir Sale of Goods Act, Svt 1996.	II of 1996
136.	Separation of Judicial and Executive Functions Act, 1966.	XL of 1966
137.	The Jammu and Kashmir Small Causes Court Act, Svt 1968.	
138.	Societies Registration Act, Svt 1998.	VI of Svt. 1998
139.	The Jammu and Kashmir Specific Relief Act, Svt 1977.	XXXVIII of Svt.1977
140.	The Jammu and Kashmir Standards of Weights and Measures (Enforcement) Act, 1997.	XXXVII of 1997
141.	The Jammu and Kashmir Succession Certificate Act, Svt 1977.	XXXIX of Svt.1977
142.	Succession (Property Protection) Act, Svt 1977.	XXXVI of Svt.1977
143.	The Jammu and Kashmir Suits Valuation Act, Svt 1977.	XXXVII of Svt.1977
144.	The Jammu and Kashmir Suppression of Indecent Advertisements Act, Svt 2003.	IX of Svt. 2003
145.	The Jammu and Kashmir Transfer of Property Act, Svt 1977.	XLII of Svt.1977
146.	The Jammu and Kashmir Transplantation of Human Organs Act, 1997.	III of 1997
147.	The Jammu and Kashmir Trusts Act, Svt 1977.	XLI of Svt. 1977
148.	The Jammu and Kashmir Venereal Diseases Act, Svt 2000.	XXI of Svt. 2000
149.	Veterinary Council Act, 2001.	XXI of 2001
150.	The Jammu and Kashmir [State] Village and Town Patrol Act, 1959.	XXIV of 1959
151.	The Jammu and Kashmir Village Sanitation Act, Svt. 1990.	V of Svt. 1990
152.	The Jammu and Kashmir Wakafs Act, 2001.	III of 2001
153.	The Jammu and Kashmir Wildlife (Protection) Act, 1978.	VIII of 1978

S.No.	Name of the Governor's Act	Governor's Act No.
1.	The Jammu and Kashmir State Trust for Welfare of Persons with Autism Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 2018.	VI of 2018
2.	The Jammu and Kashmir Drugs and Magic Remedies (Objectionable Advertisements) Act, 2018.	VIII of 2018
3.	The Jammu and Kashmir Single Window (Industrial Investment and Business Facilitation) Act, 2018.	X of 2018
4.	The Jammu and Kashmir Commercial Courts Act, 2018.	XIII of 2018
5.	The Jammu and Kashmir Family Courts Act, 2018.	XXIV of 2018
6.	The Jammu and Kashmir Aadhar (Targeted Delivery of Financial and other Subsidies, Benefits and Services) Act, 2018.	XXXIV of 2018
7.	The Jammu and Kashmir Protection of Children From Sexual Violence Act, 2018.	II of 2018
8.	The Jammu and Kashmir Rights of Persons with Disabilities Act, 2018.	XL of 2018
9.	The Jammu and Kashmir Prohibition of Benami Property Transactions Act, 2018.	XLIII of 2018
10.	The Jammu and Kashmir State Commission for Protection of Women and Child Rights Act, 2018.	XLVI of 2018
11.	The Jammu and Kashmir Real Estate (Regulation and Development) Act, 2018.	LIII of 2018

TABLE - 4

**STATE ACTS INCLUDING GOVERNOR'S ACTS THAT SHALL REMAIN IN FORCE IN
UNION TERRITORY OF JAMMU AND KASHMIR; AND UNION TERRITORY OF LADAKH**

S.No.	Name of the Act	Act/Ordinance No.
1.	The Jammu and Kashmir Aerial Ropeways Act, 2002	XII of 2002
2.	The Jammu and Kashmir Agrarian Reforms Act, 1976	XVII of 1976
3.	Agriculturists' Relief Act, Svt. 1983	I of Svt. 1983
4.	The Jammu and Kashmir Government Aid to Agriculturists and Land Improvement Act, Svt. 1993	VII of Svt. 1993
5.	The Jammu and Kashmir State Aid to Industries Act 1961	XXII of 1961
6.	The Jammu and Kashmir Alienation of Land Act, Svt. 1995	V of Svt. 1995
7.	The Jammu and Kashmir Anatomy Act, 1959	XXII of 1959
8.	The Jammu and Kashmir Ancient Monuments Preservation Act, Svt. 1977	V of Svt 1977
9.	The Jammu and Kashmir Baba Ghulam Shah Badshah University Act, 2002	XVI of 2002
10.	The Jammu and Kashmir Big Landed Estates Abolition Act, Svt. 2007	XVII of Svt. 2007
11.	The Jammu and Kashmir Board of Professional Entrance Examination Act, 2002	XXV of 2002
12.	The Jammu and Kashmir Board of School Education Act, 1975	XXVIII of 1975
13.	The Jammu and Kashmir State Board of Technical Education Act, 2002	XXIV of 2002
14.	The Jammu and Kashmir Brick Kilns (Regulation) Act, 2010	XV II of 2010
15.	Camping and Mooring Sites Act, Svt. 2004	XII of Svt.2004
16.	The Jammu and Kashmir Chowkidari Act, 1956	XXXVII of 1956
17.	The Jammu and Kashmir Civic Laws (Special Provisions) Act, 2014	III of 2014
18.	The Jammu and Kashmir Civil Courts Act, Svt. 1977	XLVI of Svt.1977
19.	The Jammu and Kashmir Civil Services (Decentralization and Recruitment) Act, 2010	XVI of 2010
20.	The Jammu and Kashmir Civil Services (Special Provisions) Act, 2010	XIV of 2010
21.	The Srinagar and Jammu Cluster Universities Act, 2016.	III of 2016
22.	The Jammu and Kashmir State Commission for Backward Classes Act, 1997	XII of 1997
23.	The Jammu and Kashmir Common Lands (Regulation) Act, 1956	XXIV of 1956
24.	The Jammu and Kashmir Consolidation of Holdings Act, 1962	V of 1962
25.	The Jammu and Kashmir Control of Building Operations Act, 1988	XV of 1988
26.	The Jammu and Kashmir Cooperative Societies Act, 1989.	X of 1989
27.	The Jammu and Kashmir Debtors Relief Act, 1976	XV of 1976
28.	The Jammu and Kashmir Delivery of Books and Newspapers (Public Libraries) Act, 1961	XIII of 1961
29.	The Jammu and Kashmir Deputy Ministers' Salaries and Allowances Act, 1957	VI of 1957

S.No.	Name of the Act	Act/Ordinance No.
30.	The Jammu and Kashmir Deputy Speaker's and Deputy Chairman's (Emoluments) Act, 1956	XXII of 1956
31.	The Jammu and Kashmir Development Act, 1970	XIX of 1970
32.	The Jammu and Kashmir Egress and Internal Movement (Control) Ordinance, Svt.2005.	V of Svt.2005
33.	The Jammu and Kashmir Enemy Agents Ordinance, Svt.2005.	VIII of Svt.2005
34.	The Jammu and Kashmir State Emergency Relief Fund Act, 1960	XIII of 1960
35.	The Jammu and Kashmir Excise Act, Samvat 1958	--
36.	The Jammu and Kashmir Extraction of Resin Act, 1988.	IX of 1988
37.	The Jammu and Kashmir State Evacuees (Administration of Property) Act, Samvat 2006 (1949 A.D).	VI of Svt. 2006
38.	The Jammu and Kashmir Ferry Boats Control Act, 1971.	XVIII of 1971
39.	The Jammu and Kashmir State Finance Commission Act, 2006	XVIII of 2006
40.	The Jammu and Kashmir Finance Commission for Panchayats and Municipalities Act, 2011	XVI of 2011
41.	The Jammu and Kashmir Fire Force Act, 1967.	XXII of 1967
42.	The Jammu and Kashmir Fiscal Responsibility and Budget Management Act, 2006.	XII of 2006
43.	The Jammu and Kashmir Fisheries Act, 2018.	XVI of 2018
44.	The Jammu and Kashmir Flood Plain Zones (Regulation and Development) Act, 2005.	XVII of 2005
45.	The Jammu and Kashmir State Forest Corporation Act, 1978.	XII of 1978
46.	The Jammu and Kashmir Forest (Protection) Force Act, 2001.	VI of 2001
47.	The Jammu and Kashmir Fruit Nurseries (Licensing) Act, 1987.	XXII of 1987
48.	The Jammu and Kashmir Gift Goods (Unlawful Possession) Act, 1963.	XL of 1963
49.	The Jammu and Kashmir Golf Development and Management Authority Act, 2013.	VIII of 2013
50.	The Jammu and Kashmir Goods and Services Tax Act, 2017.	V of 2017
51.	The Jammu and Kashmir Government Gazette Act, Svt. 1945.	XII of Svt. 1945
52.	The Jammu and Kashmir Governor's Special Security Force Act, 2018	Governors Act No.XLII of 2018
53.	The Jammu and Kashmir Habitual Offenders (Control and Reform) Act, 1956.	XI of 1956
54.	The Jammu and Kashmir Handicrafts (Quality Control) Act, 1978.	IV of 1978
55.	The Jammu and Kashmir Heritage Conservation and Preservation Act, 2010.	XV of 2010
56.	The Jammu and Kashmir Highways Act, Svt. 2007.	XXVII of Svt. 2007
57.	The Jammu and Kashmir Home Guards Act, Svt. 2006.	III of Svt. 2006
58.	The Jammu and Kashmir Housing Board Act, 1976.	VII of 1976
59.	The Jammu and Kashmir Industrial Establishments (National and Festival) Holidays Act, 1974.	XIII of 1974
60.	The Jammu and Kashmir Inspector General of Prisons (Change in Designation) Act, 2001.	XIII of 2001

S.No.	Name of the Act	Act/Ordinance No.
61.	The Jammu and Kashmir Islamic University of Science and Technology Kashmir Act, 2005.	XVIII of 2005
62.	The Jammu and Kashmir Kahcharai Act, Svt. 2011.	XVIII of Svt. 2011
63.	Kashmir and Jammu Universities Act, 1969.	XXIV of 1969
64.	Kashmir Silk Protection Act, 1964.	
65.	The Jammu and Kashmir Khadi and Village Industries Board Act, 1965.	XVI of 1965
66.	Ladakh Autonomous Hill Development Council Act, 1997.	XXXI of 1997
67.	Ladakh Budhists Succession to Property Act, Svt. 2000.	XVIII of Svt. 2000
68.	The Jammu and Kashmir Lambardari Act, 1972.	X of 1972
69.	The Jammu and Kashmir Land Grants Act, 1960.	XXXVIII of 1960
70.	The Jammu and Kashmir Land Improvement Schemes Act, 1972.	XXIV of 1972
71.	The Jammu and Kashmir Land Revenue Act, Svt. 1996.	XII of Svt. 1996
72.	The Jammu and Kashmir Legislative Assembly Speaker's Emoluments Act, 1956.	IV of 1956
73.	The Jammu and Kashmir Legislative Council Chairman's (Emoluments) Act, 1962.	XXVIII of 1962
74.	The Jammu and Kashmir State Legislature Members' Pension Act, 1984.	II of 1984
75.	The Jammu and Kashmir Legislature (Prevention of Disqualification) Act, 1962.	XVI of 1962
76.	The Jammu and Kashmir State Legislature Proceedings (Protection of Publication) Act, 1960.	XXXVII of 1960
77.	Levy of Tolls Act, Svt. 1995.	VIII of Svt. 1995
78.	The Jammu and Kashmir Migrant Immovable Property (Preservation, Protection and Restraint on Distress Sales) Act, 1997.	XVI of 1997
79.	The Jammu and Kashmir Migrants (Stay of Proceedings) Act, 1997.	XVII of 1997
80.	The Jammu and Kashmir Ministers and Ministers of State Salaries Act, 1956.	VI of 1956
81.	The Jammu and Kashmir Ministers and Presiding Officers Medical Facilities Act, 1975.	XXII of 1975
82.	The Jammu and Kashmir Money Lenders and Accredited Loan Providers Act, 2010.	XXIII of 2010
83.	The Jammu and Kashmir Motor Spirit and Diesel Oil (Taxation of Sales) Act, Svt. 2005.	V of Svt. 2005
84.	The Jammu and Kashmir Motor Vehicles Taxation Act, 1957.	XXVI of 1957
85.	The Jammu and Kashmir Mulberry Protection Act, Svt. 2006.	X of Svt. 2006
86.	The Jammu and Kashmir Municipal Act, 2000.	XX of 2000
87.	The Jammu and Kashmir Municipal Corporation Act, 2000.	XXI of 2000
88.	The Jammu and Kashmir Municipal Ombudsman Act, 2010.	XX of 2010
89.	The Jammu and Kashmir Municipalities Public Disclosure Act, 2010.	XXIV of 2010
90.	The Jammu and Kashmir Muslim Marriages Registration Act, 1981.	XXII of 1981
91.	The Jammu and Kashmir Namdha Quality Control Act, Svt. 2010.	VI of Svt. 2010
92.	National Defence Fund Donation of Immovable Property (Exemption from Stamp Duty and Registration) Act, 1963.	V of 1963

S.No.	Name of the Act	Act/Ordinance No.
93.	The Jammu and Kashmir Natural Calamities Destroyed Areas Improvement Act, Svt. 2011.	XXXVIII of Svt. 2011
94.	The Jammu and Kashmir Non-Biodegradable Material (Management) Handling and Disposal Act, 2007.	XII of 2007
95.	The Jammu and Kashmir Obsolete Laws (Repeal) Act, 2010.	XXVII of 2010
96.	The Jammu and Kashmir Ombudsman for Panchayats Act, 2014.	V of 2014
97.	The Jammu and Kashmir Panchayati Raj Act, 1989.	IX of 1989
98.	The Jammu and Kashmir Paramedical Council Act, 2014.	VII of 2014
99.	The Jammu and Kashmir Passengers Taxation Act, 1963.	XII of 1963
100.	The Jammu and Kashmir Plant Disease and Pests Act, 1973.	XIV of 1973
101.	Plyboard Industries (Acquisition of Shares and of the Industrial Undertakings) Act, 1987.	VI of 1987
102.	Police Act, Svt. 1983.	II of Svt. 1983
103.	The Jammu and Kashmir Preservation of Specified Trees Act, 1969	V of 1969
104.	The Jammu and Kashmir Prevention of Beggary Act, 1960.	XL of 1960
105.	The Jammu and Kashmir Prevention of Fragmentation of Agricultural Holdings Act, 1960.	XXV of 1960
106.	Prevention of Ribbon Development Act, Svt. 2007.	XXVI of Svt. 2007
107.	Prevention of Rum Rasum Act, Svt. 1997.	I of Svt. 1997
108.	The Jammu and Kashmir Prevention and Suppression of Sabotages Activities Act, 1965.	XXII of 1965
109.	The Jammu and Kashmir Prevention of Unfair Means Examination Act, 1987.	XX of 1987
110.	The Jammu and Kashmir Private Colleges (Regulation and Control) Act, 2002	XXII of 2002
111.	Probate and Administration Act, Svt. 1977.	XXIX of Svt. 1977
112.	The Jammu and Kashmir Professions, Trades, Callings and Employment Tax Act, 2005.	IX of 2005
113.	The Jammu and Kashmir Prohibition on Conversion of Land and Alienation of Orchards Act, 1975.	VIII of 1975
114.	The Jammu and Kashmir Prohibition on Manufacture of Specified Copper Utensils (By Machine) Act, 2006.	XIII of 2006
115.	The Jammu and Kashmir Prohibition of Ragging Act, 2011.	VI of 2011
116.	The Jammu and Kashmir State Prohibition of Smoking (Cinema and Theatre Halls) Act, Svt. 2009.	XVIII of Svt. 2009
117.	The Jammu and Kashmir Prohibition of Smoking and Non-Smokers Health Protection in Public Service Vehicles Act, 1997.	XX of 1997
118.	The Jammu and Kashmir Property Rights to Slum Dwellers Act, 2012.	XI of 2012
119.	The Jammu and Kashmir Property Tax Board Act, 2013.	XI of 2013
120.	The Jammu and Kashmir Protection of Interest of Depositors (in Financial Establishments) Act, 2018.	XIII of 2018

S.No.	Name of the Act	Act/Ordinance No.
121.	The Jammu and Kashmir Public Men and Public Servants Declaration of Assets and Other Provisions Act, 1983.	V of 1983
122.	The Jammu and Kashmir Public Premises (Eviction of Un-authorised Occupants) Act, 1988.	XVII of 1988
123.	The Jammu and Kashmir Public Safety Act, 1978.	VI of 1978
124.	The Jammu and Kashmir Public Services Guarantee Act, 2011.	IX of 2011
125.	The Jammu and Kashmir Registration of Contractors Act, 1956.	XVI of 1956
126.	The Jammu and Kashmir Registration of Tourist Trade Act, 1978.	IX of 1978
127.	The Jammu and Kashmir Regulation of Accounts Act, Svt. 2001.	XIV of Svt. 2001
128.	The Jammu and Kashmir Reservation Act, 2004.	XIV of 2004
129.	The Jammu and Kashmir Residential and Commercial Tenancy Act, 2012.	V of 2012
130.	The Jammu and Kashmir Restitution of Mortgaged Properties Act, 1976.	XIV of 1976
131.	The Jammu and Kashmir Right of Prior Purchase Act, Svt. 1993.	II of Svt. 1993
132.	The Jammu and Kashmir Road Safety Council Act, 2018.	V of 2018
133.	The Jammu and Kashmir Saffron Act, 2007.	V of 2007
134.	Salaries and Allowances of Members of Jammu and Kashmir State Legislature Act, 1960.	XIX of 1960
135.	Salaries and Allowances of Leader of Opposition in the State Legislature Act, 1985.	XVI of 1985
136.	The Sapphire Act, Svt. 1989.	XVI of Svt. 1989
137.	The Jammu and Kashmir School Education Act, 2002.	XXI of 2002
138.	The Jammu and Kashmir Self-Reliant Cooperatives Act, 1999.	X of 1999
139.	The Jammu and Kashmir State Sheep and Sheep Products Development Board Act, 1979.	IX of 1979
140.	Sher-i-Kashmir University of Agricultural Sciences and Technology Act, 1982.	VII of 1982
141.	Sher-i-Kashmir Institute of Medical Sciences (Grant of Degrees) Act, 1983.	XII of 1983
142.	The Jammu and Kashmir Shri Amarnath Ji Shrine Act, 2000.	XVIII of 2000
143.	The Jammu and Kashmir Shri Mata Sukhrala Devi Ji and Shri Mata Bala Sundari Shrine Act, 2013.	III of 2013
144.	The Jammu and Kashmir Shri Mata Vaishno Devi Shrine Act, 1988.	XVI of 1988
145.	The Jammu and Kashmir Shri Mata Vaishno Devi University Act, 1999.	XII of 1999
146.	The Jammu and Kashmir Shri Shiv Khori Shrine Act, 2008.	IV of 2008
147.	The Jammu and Kashmir Sikh Gurdwaras and Religious Endowments Act, 1973.	XV of 1973
148.	The Jammu and Kashmir Silk (Development and Protection) Act, 1988.	XXVIII of 1988
149.	The Jammu and Kashmir Special Security Group Act, 2000.	VI of 2000
150.	The Jammu and Kashmir Special Tribunal Act, 1988.	XIX of 1988
151.	Stamp Act, Svt. 1977.	XL of Svt. 1977
152.	The Jammu and Kashmir Tenancy Act, Svt. 1980.	II of Svt. 1980

S.No.	Name of the Act	Act/Ordinance No.
153.	The Jammu and Kashmir Tenancy (Stay of Ejectment Proceedings) Act, 1966.	XXXIII of 1966
154.	The Jammu and Kashmir State Town Planning Act, 1963.	XX of 1963
155.	The Jammu and Kashmir Treasure Trove Act, Svt. 1954.	---
156.	The Jammu and Kashmir Underground Public Utilities (Acquisition of Rights of User in Land) Act, 2014.	IV of 2014
157.	Urban Immovable Property Tax (Repeal and Saving) Act, 2002.	XXVIII of 2002
158.	The University of Ladakh Act, 2018.	Governor's Act No. LVI of 2018
159.	The Jammu and Kashmir Urban Property (Ceiling) Act, 1971.	XII of 1971
160.	Usurious Loans Act, Svt. 1977.	XLVII of Svt. 1977
161.	The Jammu and Kashmir Utilization of Lands Act, Svt. 2010.	IX of Svt. 2010
162.	The Jammu and Kashmir Vaccination Act, 1967.	XXI of 1967
163.	The Jammu and Kashmir Vegetable Seeds Act, Svt. 2009.	XII of Svt. 2009
164.	The Jammu and Kashmir State Vigilance Commission Act, 2011.	I of 2011
165.	The Jammu and Kashmir Water Resources (Regulation and Management) Act, 2010.	XXI of 2010
166.	The Jammu and Kashmir Willow (Prohibition on Export and Movement) Act, 2000.	XVI of 2000

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
 Law Department.*

New Delhi, the 6th August, 2019.

The following Act of Parliament received the assent of the President on the 5th August, 2019, and is hereby re-published for general information:—

THE CONSUMER PROTECTION ACT, 2019.

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New Delhi, the 9th August, 2019.

The following Act of Parliament received the assent of the President on the 9th August, 2019, and is hereby re-published for general information:—

THE CONSUMER PROTECTION ACT, 2019.

No. 35 of 2019

An Act to provide protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers' disputes and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

- 1. (1)** This Act may be called the Consumer Protection Act, 2019.
(2) It extends to the whole of India except the State of Jammu and Kashmir.
(3) It shall come into force on such date as the Central Government may, by notification, appoint and different dates may be appointed for different States and for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.
(4) Save as otherwise expressly provided by the Central Government, by notification, this Act shall apply to all goods and services.

Short title,
extent,
commencement
and
application.

- 2.** In this Act, unless the context otherwise requires,—

Definitions.

- (1)** "advertisement" means any audio or visual publicity, representation, endorsement or pronouncement made by means of light, sound, smoke, gas, print, electronic media, internet or website and includes any notice, circular, label, wrapper, invoice or such other documents;
- (2)** "appropriate laboratory" means a laboratory or an organisation—
(i) recognised by the Central Government; or
(ii) recognised by a State Government, subject to such guidelines as may be issued by the Central Government in this behalf; or
(iii) established by or under any law for the time being in force, which is maintained, financed or aided by the Central Government or a State Government for carrying out analysis or test of any goods with a view to determining whether such goods suffer from any defect;

(3) "branch office" means—

(i) any office or place of work described as a branch by the establishment; or

(ii) any establishment carrying on either the same or substantially the same activity carried on by the head office of the establishment;

(4) "Central Authority" means the Central Consumer Protection Authority established under section 10;

(5) "complainant" means—

(i) a consumer; or

(ii) any voluntary consumer association registered under any law for the time being in force; or

(iii) the Central Government or any State Government; or

(iv) the Central Authority; or

(v) one or more consumers, where there are numerous consumers having the same interest; or

(vi) in case of death of a consumer, his legal heir or legal representative; or

(vii) in case of a consumer being a minor, his parent or legal guardian;

(6) "complaint" means any allegation in writing, made by a complainant for obtaining any relief provided by or under this Act, that—

(i) an unfair contract or unfair trade practice or a restrictive trade practice has been adopted by any trader or service provider;

(ii) the goods bought by him or agreed to be bought by him suffer from one or more defects;

(iii) the services hired or availed of or agreed to be hired or availed of by him suffer from any deficiency;

(iv) a trader or a service provider, as the case may be, has charged for the goods or for the services mentioned in the complaint, a price in excess of the price—

(a) fixed by or under any law for the time being in force; or

(b) displayed on the goods or any package containing such goods; or

(c) displayed on the price list exhibited by him by or under any law for the time being in force; or

(d) agreed between the parties;

(v) the goods, which are hazardous to life and safety when used, are being offered for sale to the public—

(a) in contravention of standards relating to safety of such goods as required to be complied with, by or under any law for the time being in force;

(b) where the trader knows that the goods so offered are unsafe to the public;

(vi) the services which are hazardous or likely to be hazardous to life and safety of the public when used, are being offered by a person who provides any service and who knows it to be injurious to life and safety;

(vii) a claim for product liability action lies against the product manufacturer, product seller or product service provider, as the case may be;

(7) "consumer" means any person who—

(i) buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any system of deferred payment, when such use is made with the approval of such person, but does not include a person who obtains such goods for resale or for any commercial purpose; or

(ii) hires or avails of any service for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such service other than the person who hires or avails of the services for consideration paid or promised, or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person, but does not include a person who avails of such service for any commercial purpose.

*Explanation.—*For the purposes of this clause,—

(a) the expression "commercial purpose" does not include use by a person of goods bought and used by him exclusively for the purpose of earning his livelihood, by means of self-employment;

(b) the expressions "buys any goods" and "hires or avails any services" includes offline or online transactions through electronic means or by teleshopping or direct selling or multi-level marketing;

(8) "consumer dispute" means a dispute where the person against whom a complaint has been made, denies or disputes the allegations contained in the complaint;

(9) "consumer rights" includes,—

(i) the right to be protected against the marketing of goods, products or services which are hazardous to life and property;

(ii) the right to be informed about the quality, quantity, potency, purity, standard and price of goods, products or services, as the case may be, so as to protect the consumer against unfair trade practices;

(iii) the right to be assured, wherever possible, access to a variety of goods, products or services at competitive prices;

(iv) the right to be heard and to be assured that consumer's interests will receive due consideration at appropriate fora;

(v) the right to seek redressal against unfair trade practice or restrictive trade practices or unscrupulous exploitation of consumers; and

(vi) the right to consumer awareness;

(10) "defect" means any fault, imperfection or shortcoming in the quality, quantity, potency, purity or standard which is required to be maintained by or under any law for the time being in force or under any contract, express or implied or as is claimed by the trader in any manner whatsoever in relation to any goods or product and the expression "defective" shall be construed accordingly;

(11) "deficiency" means any fault, imperfection, shortcoming or inadequacy in the quality, nature and manner of performance which is required to be maintained by or under any law for the time being in force or has been undertaken to be performed by a person in pursuance of a contract or otherwise in relation to any service and includes—

(i) any act of negligence or omission or commission by such person which causes loss or injury to the consumer; and

(ii) deliberate withholding of relevant information by such person to the consumer;

(12) "design", in relation to a product, means the intended or known physical and material characteristics of such product and includes any intended or known formulation or content of such product and the usual result of the intended manufacturing or other process used to produce such product;

(13) "direct selling" means marketing, distribution and sale of goods or provision of services through a network of sellers, other than through a permanent retail location;

(14) "Director-General" means the Director-General appointed under sub-section (2) of section 15;

(15) "District Commission" means a District Consumer Disputes Redressal Commission established under sub-section (1) of section 28;

(16) "e-commerce" means buying or selling of goods or services including digital products over digital or electronic network;

(17) "electronic service provider" means a person who provides technologies or processes to enable a product seller to engage in advertising or selling goods or services to a consumer and includes any online market place or online auction sites;

(18) "endorsement", in relation to an advertisement, means—

(i) any message, verbal statement, demonstration; or

(ii) depiction of the name, signature, likeness or other identifiable personal characteristics of an individual; or

(iii) depiction of the name or seal of any institution or organisation,

which makes the consumer to believe that it reflects the opinion, finding or experience of the person making such endorsement;

(19) "establishment" includes an advertising agency, commission agent, manufacturing, trading or any other commercial agency which carries on any business, trade or profession or any work in connection with or incidental or ancillary to any

commercial activity, trade or profession, or such other class or classes of persons including public utility entities in the manner as may be prescribed;

(20) "express warranty" means any material statement, affirmation of fact, promise or description relating to a product or service warranting that it conforms to such material statement, affirmation, promise or description and includes any sample or model of a product warranting that the whole of such product conforms to such sample or model;

(21) "goods" means every kind of movable property and includes "food" as defined in clause (j) of sub-section (1) of section 3 of the Food Safety and Standards Act, 2006;

34 of 2006.

(22) "harm", in relation to a product liability, includes—

(i) damage to any property, other than the product itself;

(ii) personal injury, illness or death;

(iii) mental agony or emotional distress attendant to personal injury or illness or damage to property; or

(iv) any loss of consortium or services or other loss resulting from a harm referred to in sub-clause (i) or sub-clause (ii) or sub-clause (iii),

but shall not include any harm caused to a product itself or any damage to the property on account of breach of warranty conditions or any commercial or economic loss, including any direct, incidental or consequential loss relating thereto;

(23) "injury" means any harm whatever illegally caused to any person, in body, mind or property;

(24) "manufacturer" means a person who—

(i) makes any goods or parts thereof; or

(ii) assembles any goods or parts thereof made by others; or

(iii) puts or causes to be put his own mark on any goods made by any other person;

(25) "mediation" means the process by which a mediator mediates the consumer disputes;

(26) "mediator" means a mediator referred to in section 75;

(27) "member" includes the President and a member of the National Commission or a State Commission or a District Commission, as the case may be;

(28) "misleading advertisement" in relation to any product or service, means an advertisement, which—

(i) falsely describes such product or service; or

(ii) gives a false guarantee to, or is likely to mislead the consumers as to the nature, substance, quantity or quality of such product or service; or

(iii) conveys an express or implied representation which, if made by the manufacturer or seller or service provider thereof, would constitute an unfair trade practice; or

(iv) deliberately conceals important information;

(29) "National Commission" means the National Consumer Disputes Redressal Commission established under sub-section (1) of section 53;

(30) "notification" means a notification published in the Official Gazette and the term "notify" shall be construed accordingly;

(31) "person" includes—

- (i) an individual;
- (ii) a firm whether registered or not;
- (iii) a Hindu undivided family;
- (iv) a co-operative society;
- (v) an association of persons whether registered under the Societies Registration Act, 1860 or not;
- (vi) any corporation, company or a body of individuals whether incorporated or not;
- (vii) any artificial juridical person, not falling within any of the preceding sub-clauses;

(32) "prescribed" means prescribed by rules made by the Central Government, or, as the case may be, the State Government;

(33) "product" means any article or goods or substance or raw material or any extended cycle of such product, which may be in gaseous, liquid, or solid state possessing intrinsic value which is capable of delivery either as wholly assembled or as a component part and is produced for introduction to trade or commerce, but does not include human tissues, blood, blood products and organs;

(34) "product liability" means the responsibility of a product manufacturer or product seller, of any product or service, to compensate for any harm caused to a consumer by such defective product manufactured or sold or by deficiency in services relating thereto;

(35) "product liability action" means a complaint filed by a person before a District Commission or State Commission or National Commission, as the case may be, for claiming compensation for the harm caused to him;

(36) "product manufacturer" means a person who—

- (i) makes any product or parts thereof; or
- (ii) assembles parts thereof made by others; or
- (iii) puts or causes to be put his own mark on any products made by any other person; or
- (iv) makes a product and sells, distributes, leases, installs, prepares, packages, labels, markets, repairs, maintains such product or is otherwise involved in placing such product for commercial purpose; or
- (v) designs, produces, fabricates, constructs or re-manufactures any product before its sale; or
- (vi) being a product seller of a product, is also a manufacturer of such product;

(37) "product seller", in relation to a product, means a person who, in the course of business, imports, sells, distributes, leases, installs, prepares, packages, labels, markets, repairs, maintains, or otherwise is involved in placing such product for commercial purpose and includes—

- (i) a manufacturer who is also a product seller; or

21 of 1860.

(ii) a service provider,

but does not include—

(a) a seller of immovable property, unless such person is engaged in the sale of constructed house or in the construction of homes or flats;

(b) a provider of professional services in any transaction in which, the sale or use of a product is only incidental thereto, but furnishing of opinion, skill or services being the essence of such transaction;

(c) a person who—

(I) acts only in a financial capacity with respect to the sale of the product;

(II) is not a manufacturer, wholesaler, distributor, retailer, direct seller or an electronic service provider;

(III) leases a product, without having a reasonable opportunity to inspect and discover defects in the product, under a lease arrangement in which the selection, possession, maintenance, and operation of the product are controlled by a person other than the lessor;

(38) "product service provider", in relation to a product, means a person who provides any service in respect of such product;

(39) "regulations" means the regulations made by the National Commission, or as the case may be, the Central Authority;

(40) "Regulator" means a body or any authority established under any other law for the time being in force;

(41) "restrictive trade practice" means a trade practice which tends to bring about manipulation of price or its conditions of delivery or to affect flow of supplies in the market relating to goods or services in such a manner as to impose on the consumers unjustified costs or restrictions and shall include—

(i) delay beyond the period agreed to by a trader in supply of such goods or in providing the services which has led or is likely to lead to rise in the price;

(ii) any trade practice which requires a consumer to buy, hire or avail of any goods or, as the case may be, services as condition precedent for buying, hiring or availing of other goods or services;

(42) "service" means service of any description which is made available to potential users and includes, but not limited to, the provision of facilities in connection with banking, financing, insurance, transport, processing, supply of electrical or other energy, telecom, boarding or lodging or both, housing construction, entertainment, amusement or the purveying of news or other information, but does not include the rendering of any service free of charge or under a contract of personal service;

(43) "spurious goods" means such goods which are falsely claimed to be genuine;

(44) "State Commission" means a State Consumer Disputes Redressal Commission established under sub-section (1) of section 42;

(45) "trader", in relation to any goods, means a person who sells or distributes any goods for sale and includes the manufacturer thereof, and where such goods are sold or distributed in package form, includes the packer thereof;

(46) "unfair contract" means a contract between a manufacturer or trader or service provider on one hand, and a consumer on the other, having such terms which

cause significant change in the rights of such consumer, including the following, namely:—

(i) requiring manifestly excessive security deposits to be given by a consumer for the performance of contractual obligations; or

(ii) imposing any penalty on the consumer, for the breach of contract thereof which is wholly disproportionate to the loss occurred due to such breach to the other party to the contract; or

(iii) refusing to accept early repayment of debts on payment of applicable penalty; or

(iv) entitling a party to the contract to terminate such contract unilaterally, without reasonable cause; or

(v) permitting or has the effect of permitting one party to assign the contract to the detriment of the other party who is a consumer, without his consent; or

(vi) imposing on the consumer any unreasonable charge, obligation or condition which puts such consumer to disadvantage;

(47) "unfair trade practice" means a trade practice which, for the purpose of promoting the sale, use or supply of any goods or for the provision of any service, adopts any unfair method or unfair or deceptive practice including any of the following practices, namely:—

(i) making any statement, whether orally or in writing or by visible representation including by means of electronic record, which—

(a) falsely represents that the goods are of a particular standard, quality, quantity, grade, composition, style or model;

(b) falsely represents that the services are of a particular standard, quality or grade;

(c) falsely represents any re-built, second-hand, renovated, reconditioned or old goods as new goods;

(d) represents that the goods or services have sponsorship, approval, performance, characteristics, accessories, uses or benefits which such goods or services do not have;

(e) represents that the seller or the supplier has a sponsorship or approval or affiliation which such seller or supplier does not have;

(f) makes a false or misleading representation concerning the need for, or the usefulness of, any goods or services;

(g) gives to the public any warranty or guarantee of the performance, efficacy or length of life of a product or of any goods that is not based on an adequate or proper test thereof:

Provided that where a defence is raised to the effect that such warranty or guarantee is based on adequate or proper test, the burden of proof of such defence shall lie on the person raising such defence;

(h) makes to the public a representation in a form that purports to be—

(A) a warranty or guarantee of a product or of any goods or services; or

(B) a promise to replace, maintain or repair an article or any part thereof or to repeat or continue a service until it has achieved a specified result,

if such purported warranty or guarantee or promise is materially misleading or if there is no reasonable prospect that such warranty, guarantee or promise will be carried out;

(i) materially misleads the public concerning the price at which a product or like products or goods or services, have been or are, ordinarily sold or provided, and, for this purpose, a representation as to price shall be deemed to refer to the price at which the product or goods or services has or have been sold by sellers or provided by suppliers generally in the relevant market unless it is clearly specified to be the price at which the product has been sold or services have been provided by the person by whom or on whose behalf the representation is made;

(j) gives false or misleading facts disparaging the goods, services or trade of another person.

Explanation.—For the purposes of this sub-clause, a statement that is,—

(A) expressed on an article offered or displayed for sale, or on its wrapper or container; or

(B) expressed on anything attached to, inserted in, or accompanying, an article offered or displayed for sale, or on anything on which the article is mounted for display or sale; or

(C) contained in or on anything that is sold, sent, delivered, transmitted or in any other manner whatsoever made available to a member of the public,

shall be deemed to be a statement made to the public by, and only by, the person who had caused the statement to be so expressed, made or contained;

(ii) permitting the publication of any advertisement, whether in any newspaper or otherwise, including by way of electronic record, for the sale or supply at a bargain price of goods or services that are not intended to be offered for sale or supply at the bargain price, or for a period that is, and in quantities that are, reasonable, having regard to the nature of the market in which the business is carried on, the nature and size of business, and the nature of the advertisement.

Explanation.—For the purpose of this sub-clause, "bargain price" means,—

(A) a price that is stated in any advertisement to be a bargain price, by reference to an ordinary price or otherwise; or

(B) a price that a person who reads, hears or sees the advertisement, would reasonably understand to be a bargain price having regard to the prices at which the product advertised or like products are ordinarily sold;

(iii) permitting—

(a) the offering of gifts, prizes or other items with the intention of not providing them as offered or creating impression that something is being given or offered free of charge when it is fully or partly covered by the amount charged, in the transaction as a whole;

(b) the conduct of any contest, lottery, game of chance or skill, for the purpose of promoting, directly or indirectly, the sale, use or supply of any product or any business interest, except such contest, lottery, game of chance or skill as may be prescribed;

(c) withholding from the participants of any scheme offering gifts, prizes or other items free of charge on its closure, the information about final results of the scheme.

Explanation.—For the purpose of this sub-clause, the participants of a scheme shall be deemed to have been informed of the final results of the scheme where such results are within a reasonable time published, prominently in the same newspaper in which the scheme was originally advertised;

- (iv) permitting the sale or supply of goods intended to be used, or are of a kind likely to be used by consumers, knowing or having reason to believe that the goods do not comply with the standards prescribed by the competent authority relating to performance, composition, contents, design, constructions, finishing or packaging as are necessary to prevent or reduce the risk of injury to the person using the goods;
- (v) permitting the hoarding or destruction of goods, or refusal to sell the goods or to make them available for sale or to provide any service, if such hoarding or destruction or refusal raises or tends to raise or is intended to raise, the cost of those or other similar goods or services;
- (vi) manufacturing of spurious goods or offering such goods for sale or adopting deceptive practices in the provision of services;
- (vii) not issuing bill or cash memo or receipt for the goods sold or services rendered in such manner as may be prescribed;
- (viii) refusing, after selling goods or rendering services, to take back or withdraw defective goods or to withdraw or discontinue deficient services and to refund the consideration thereof, if paid, within the period stipulated in the bill or cash memo or receipt or in the absence of such stipulation, within a period of thirty days;
- (ix) disclosing to other person any personal information given in confidence by the consumer unless such disclosure is made in accordance with the provisions of any law for the time being in force.

CHAPTER II

CONSUMER PROTECTION COUNCILS

Central
Consumer
Protection
Council.

3. (1) The Central Government shall, by notification, establish with effect from such date as it may specify in that notification, the Central Consumer Protection Council to be known as the Central Council.

(2) The Central Council shall be an advisory council and consist of the following members, namely:—

- (a) the Minister-in-charge of the Department of Consumer Affairs in the Central Government, who shall be the Chairperson; and
- (b) such number of other official or non-official members representing such interests as may be prescribed.

4. (1) The Central Council shall meet as and when necessary, but at least one meeting of the Council shall be held every year.

(2) The Central Council shall meet at such time and place as the Chairperson may think fit and shall observe such procedure in regard to the transaction of its business as may be prescribed.

5. The objects of the Central Council shall be to render advice on promotion and protection of the consumers' rights under this Act.

Procedure for
meetings of
Central
Council.

Objects of
Central
Council.

6. (1) Every State Government shall, by notification, establish with effect from such date as it may specify in such notification, a State Consumer Protection Council for such State to be known as the State Council.

State
Consumer
Protection
Councils.

(2) The State Council shall be an advisory council and consist of the following members, namely:—

(a) the Minister-in-charge of Consumer Affairs in the State Government who shall be the Chairperson;

(b) such number of other official or non-official members representing such interests as may be prescribed;

(c) such number of other official or non-official members, not exceeding ten, as may be nominated by the Central Government.

(3) The State Council shall meet as and when necessary but not less than two meetings shall be held every year.

(4) The State Council shall meet at such time and place as the Chairperson may think fit and shall observe such procedure in regard to the transaction of its business, as may be prescribed.

7. The objects of every State Council shall be to render advice on promotion and protection of consumer rights under this Act within the State.

Objects of
State Council.

8. (1) The State Government shall, by notification, establish for every District with effect from such date as it may specify in such notification, a District Consumer Protection Council to be known as the District Council.

District
Consumer
Protection
Council.

(2) The District Council shall be an advisory council and consist of the following members, namely:—

(a) the Collector of the district (by whatever name called), who shall be the Chairperson; and

(b) such number of other official and non-official members representing such interests as may be prescribed.

(3) The District Council shall meet as and when necessary but not less than two meetings shall be held every year.

(4) The District Council shall meet at such time and place within the district as the Chairperson may think fit and shall observe such procedure in regard to the transaction of its business as may be prescribed.

9. The objects of every District Council shall be to render advice on promotion and protection of consumer rights under this Act within the district.

Objects of
District
Council.

CHAPTER III

CENTRAL CONSUMER PROTECTION AUTHORITY

10. (1) The Central Government shall, by notification, establish with effect from such date as it may specify in that notification, a Central Consumer Protection Authority to be known as the Central Authority to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers and to promote, protect and enforce the rights of consumers as a class.

Establishment
of Central
Consumer
Protection
Authority.

(2) The Central Authority shall consist of a Chief Commissioner and such number of other Commissioners as may be prescribed, to be appointed by the Central Government to exercise the powers and discharge the functions under this Act.

(3) The headquarters of the Central Authority shall be at such place in the National Capital Region of Delhi, and it shall have regional and other offices in any other place in India as the Central Government may decide.

Qualifications, method of recruitment, etc., of Chief Commissioner and Commissioners.

11. The Central Government may, by notification, make rules to provide for the qualifications for appointment, method of recruitment, procedure for appointment, term of office, salaries and allowances, resignation, removal and other terms and conditions of the service of the Chief Commissioner and Commissioners of the Central Authority.

Vacancy, etc., not to invalidate proceedings of Central Authority.

12. No act or proceeding of the Central Authority shall be invalid merely by reason of—

(a) any vacancy in, or any defect in the constitution of, the Central Authority; or

(b) any defect in the appointment of a person acting as the Chief Commissioner or as a Commissioner; or

(c) any irregularity in the procedure of the Central Authority not affecting the merits of the case.

Appointment of officers, experts, professionals and other employees of Central Authority.

13. (1) The Central Government shall provide the Central Authority such number of officers and other employees as it considers necessary for the efficient performance of its functions under this Act.

(2) The salaries and allowances payable to, and the other terms and conditions of service of, the officers and other employees of the Central Authority appointed under this Act shall be such as may be prescribed.

(3) The Central Authority may engage, in accordance with the procedure specified by regulations, such number of experts and professionals of integrity and ability, who have special knowledge and experience in the areas of consumer rights and welfare, consumer policy, law, medicine, food safety, health, engineering, product safety, commerce, economics, public affairs or administration, as it deems necessary to assist it in the discharge of its functions under this Act.

Procedure of Central Authority.

14. (1) The Central Authority shall regulate the procedure for transaction of its business and allocation of its business amongst the Chief Commissioner and Commissioners as may be specified by regulations.

(2) The Chief Commissioner shall have the powers of general superintendence, direction and control in respect of all administrative matters of the Central Authority:

Provided that the Chief Commissioner may delegate such of his powers relating to administrative matters of the Central Authority, as he may think fit, to any Commissioner (including Commissioner of a regional office) or any other officer of the Central Authority.

Investigation Wing.

15. (1) The Central Authority shall have an Investigation Wing headed by a Director-General for the purpose of conducting inquiry or investigation under this Act as may be directed by the Central Authority.

(2) The Central Government may appoint a Director-General and such number of Additional Director-General, Director, Joint Director, Deputy Director and Assistant Director, from amongst persons who have experience in investigation and possess such qualifications, in such manner, as may be prescribed.

(3) Every Additional Director-General, Director, Joint Director, Deputy Director and Assistant Director shall exercise his powers, and discharge his functions, subject to the general control, supervision and direction of the Director-General.

(4) The Director-General may delegate all or any of his powers to the Additional Director-General or Director, Joint Director or Deputy Director or Assistant Director, as the case may be, while conducting inquiries or investigations under this Act.

(5) The inquiries or the investigations made by the Director- General shall be submitted to the Central Authority in such form, in such manner and within such time, as may be specified by regulations.

16. The District Collector (by whatever name called) may, on a complaint or on a reference made to him by the Central Authority or the Commissioner of a regional office, inquire into or investigate complaints regarding violation of rights of consumers as a class, on matters relating to violations of consumer rights, unfair trade practices and false or misleading advertisements, within his jurisdiction and submit his report to the Central Authority or to the Commissioner of a regional office, as the case may be.

Power of
District
Collector.

17. A complaint relating to violation of consumer rights or unfair trade practices or false or misleading advertisements which are prejudicial to the interests of consumers as a class, may be forwarded either in writing or in electronic mode, to any one of the authorities, namely, the District Collector or the Commissioner of regional office or the Central Authority.

Complaints to
authorities.

18. (1) The Central Authority shall—

Powers and
functions of
Central
Authority.

(a) protect, promote and enforce the rights of consumers as a class, and prevent violation of consumers rights under this Act;

(b) prevent unfair trade practices and ensure that no person engages himself in unfair trade practices;

(c) ensure that no false or misleading advertisement is made of any goods or services which contravenes the provisions of this Act or the rules or regulations made thereunder;

(d) ensure that no person takes part in the publication of any advertisement which is false or misleading.

(2) Without prejudice to the generality of the provisions contained in sub-section (1), the Central Authority may, for any of the purposes aforesaid,—

(a) inquire or cause an inquiry or investigation to be made into violations of consumer rights or unfair trade practices, either *suo motu* or on a complaint received or on the directions from the Central Government;

(b) file complaints before the District Commission, the State Commission or the National Commission, as the case may be, under this Act;

(c) intervene in any proceedings before the District Commission or the State Commission or the National Commission, as the case may be, in respect of any allegation of violation of consumer rights or unfair trade practices;

(d) review the matters relating to, and the factors inhibiting enjoyment of, consumer rights, including safeguards provided for the protection of consumers under any other law for the time being in force and recommend appropriate remedial measures for their effective implementation;

(e) recommend adoption of international covenants and best international practices on consumer rights to ensure effective enforcement of consumer rights;

(f) undertake and promote research in the field of consumer rights;

(g) spread and promote awareness on consumer rights;

(h) encourage non-Governmental organisations and other institutions working in the field of consumer rights to co-operate and work with consumer protection agencies;

(i) mandate the use of unique and universal goods identifiers in such goods, as may be necessary, to prevent unfair trade practices and to protect consumers' interest;

(j) issue safety notices to alert consumers against dangerous or hazardous or unsafe goods or services;

(k) advise the Ministries and Departments of the Central and State Governments on consumer welfare measures;

(l) issue necessary guidelines to prevent unfair trade practices and protect consumers' interest.

Power of
Central
Authority to
refer matter
for
investigation
or to other
Regulator.

19. (1) The Central Authority may, after receiving any information or complaint or directions from the Central Government or of its own motion, conduct or cause to be conducted a preliminary inquiry as to whether there exists a *prima facie* case of violation of consumer rights or any unfair trade practice or any false or misleading advertisement, by any person, which is prejudicial to the public interest or to the interests of consumers and if it is satisfied that there exists a *prima facie* case, it shall cause investigation to be made by the Director-General or by the District Collector.

(2) Where, after preliminary inquiry, the Central Authority is of the opinion that the matter is to be dealt with by a Regulator established under any other law for the time being in force, it may refer such matter to the concerned Regulator along with its report.

(3) For the purposes of investigation under sub-section (1), the Central Authority, the Director General or the District Collector may call upon a person referred to in sub-section (1) and also direct him to produce any document or record in his possession.

Power of
Central
Authority to
recall goods,
etc.

20. Where the Central Authority is satisfied on the basis of investigation that there is sufficient evidence to show violation of consumer rights or unfair trade practice by a person, it may pass such order as may be necessary, including—

(a) recalling of goods or withdrawal of services which are dangerous, hazardous or unsafe;

(b) reimbursement of the prices of goods or services so recalled to purchasers of such goods or services; and

(c) discontinuation of practices which are unfair and prejudicial to consumers' interest:

Provided that the Central Authority shall give the person an opportunity of being heard before passing an order under this section.

Power of
Central
Authority to
issue
directions and
penalties
against false
or misleading
advertisements.

21. (1) Where the Central Authority is satisfied after investigation that any advertisement is false or misleading and is prejudicial to the interest of any consumer or is in contravention of consumer rights, it may, by order, issue directions to the concerned trader or manufacturer or endorser or advertiser or publisher, as the case may be, to discontinue such advertisement or to modify the same in such manner and within such time as may be specified in that order.

(2) Notwithstanding the order passed under sub-section (1), if the Central Authority is of the opinion that it is necessary to impose a penalty in respect of such false or misleading advertisement, by a manufacturer or an endorser, it may, by order, impose on manufacturer or endorser a penalty which may extend to ten lakh rupees:

Provided that the Central Authority may, for every subsequent contravention by a manufacturer or endorser, impose a penalty, which may extend to fifty lakh rupees.

(3) Notwithstanding any order under sub-sections (1) and (2), where the Central Authority deems it necessary, it may, by order, prohibit the endorser of a false or misleading advertisement from making endorsement of any product or service for a period which may extend to one year:

Provided that the Central Authority may, for every subsequent contravention, prohibit such endorser from making endorsement in respect of any product or service for a period which may extend to three years.

(4) Where the Central Authority is satisfied after investigation that any person is found to publish, or is a party to the publication of, a misleading advertisement, it may impose on such person a penalty which may extend to ten lakh rupees.

(5) No endorser shall be liable to a penalty under sub-sections (2) and (3) if he has exercised due diligence to verify the veracity of the claims made in the advertisement regarding the product or service being endorsed by him.

(6) No person shall be liable to such penalty if he proves that he had published or arranged for the publication of such advertisement in the ordinary course of his business:

Provided that no such defence shall be available to such person if he had previous knowledge of the order passed by the Central Authority for withdrawal or modification of such advertisement.

(7) While determining the penalty under this section, regard shall be had to the following, namely:—

- (a) the population and the area impacted or affected by such offence;
- (b) the frequency and duration of such offence;
- (c) the vulnerability of the class of persons likely to be adversely affected by such offence; and
- (d) the gross revenue from the sales effected by virtue of such offence.

(8) The Central Authority shall give the person an opportunity of being heard before an order under this section is passed.

22. (1) For the purpose of conducting an investigation after preliminary inquiry under sub-section (1) of section 19, the Director-General or any other officer authorised by him in this behalf, or the District Collector, as the case may be, may, if he has any reason to believe that any person has violated any consumer rights or committed unfair trade practice or causes any false or misleading advertisement to be made, shall,—

Search and seizure.

- (a) enter at any reasonable time into any such premises and search for any document or record or article or any other form of evidence and seize such document, record, article or such evidence;
- (b) make a note or an inventory of such record or article; or
- (c) require any person to produce any record, register or other document or article.

2 of 1974.

(2) The provisions of the Code of Criminal Procedure, 1973, relating to search and seizure shall apply, as far as may be, for search and seizure under this Act.

(3) Every document, record or article seized under clause (a) of sub-section (1) or produced under clause (c) of that sub-section shall be returned to the person, from whom they were seized or who produced the same, within a period of twenty days of the date of such seizure or production, as the case may be, after copies thereof or extracts therefrom certified by that person, in such manner as may be prescribed, have been taken.

(4) Where any article seized under sub-section (1) are subject to speedy or natural decay, the Director-General or such other officer may dispose of the article in such manner as may be prescribed.

(5) In the case of articles other than the articles referred to in sub-section (4), provisions contained in clause (c) of sub-section (2) of section 38 shall *mutatis mutandis* apply in relation to analysis or tests.

Designation
of any
statutory
authority or
body to
function as
Central
Authority.

Appeal.

Grants by
Central
Government.

Accounts and
audit.

Furnishing of
annual
reports, etc.

Establishment
of District
Consumer
Disputes
Redressal
Commission.

23. The Central Government may, if it considers necessary, by notification, designate any statutory authority or body to exercise the powers and perform the functions of the Central Authority referred to in section 10.

24. A person aggrieved by any order passed by the Central Authority under sections 20 and 21 may file an appeal to the National Commission within a period of thirty days from the date of receipt of such order.

25. The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Central Authority grants of such sums of money as that Government may think fit for being utilised for the purposes of this Act.

26. (1) The Central Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form and manner as may be prescribed in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Central Authority shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Central Authority to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India or any other person appointed by him in connection with the audit of the accounts of the Central Authority shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General of India generally has, in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Central Authority.

(4) The accounts of the Central Authority as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government which shall cause the same to be laid before each House of Parliament.

27. (1) The Central Authority shall prepare once in every year, in such form, manner and at such time as may be prescribed, an annual report giving full account of its activities during the previous year and such other reports and returns, as may be directed, and copies of such report and returns shall be forwarded to the Central Government.

(2) A copy of the annual report received under sub-section (1) shall be laid, as soon as may be after it is received, before each House of Parliament.

CHAPTER IV

CONSUMER DISPUTES REDRESSAL COMMISSION

28. (1) The State Government shall, by notification, establish a District Consumer Disputes Redressal Commission, to be known as the District Commission, in each district of the State:

Provided that the State Government may, if it deems fit, establish more than one District Commission in a district.

(2) Each District Commission shall consist of—

(a) a President; and

(b) not less than two and not more than such number of members as may be prescribed, in consultation with the Central Government.

29. The Central Government may, by notification, make rules to provide for the qualifications, method of recruitment, procedure for appointment, term of office, resignation and removal of the President and members of the District Commission.

Qualifications,
etc., of
President and
members of
District
Commission.

30. The State Government may, by notification, make rules to provide for salaries and allowances and other terms and conditions of service of the President, and members of the District Commission.

Salaries,
allowances and
other terms
and conditions
of service of
President and
members of
District
Commission.

31. Any person appointed as President or, as the case may be, a member of the District Commission immediately before the commencement of this Act shall hold office as such as President or, as the case may be, as member till the completion of his term for which he has been appointed.

Transitional
provision.

32. If, at any time, there is a vacancy in the office of the President or member of a District Commission, the State Government may, by notification, direct—

Vacancy in
office of
member of
District
Commission.

(a) any other District Commission specified in that notification to exercise the jurisdiction in respect of that district also; or

(b) the President or a member of any other District Commission specified in that notification to exercise the powers and discharge the functions of the President or member of that District Commission also.

33. (1) The State Government shall provide the District Commission with such officers and other employees as may be required to assist the District Commission in the discharge of its functions.

Officers and
other
employees of
District
Commission.

(2) The officers and other employees of the District Commission shall discharge their functions under the general superintendence of the President of the District Commission.

(3) The salaries and allowances payable to, and the other terms and conditions of service of, the officers and other employees of the District Commission shall be such as may be prescribed.

34. (1) Subject to the other provisions of this Act, the District Commission shall have jurisdiction to entertain complaints where the value of the goods or services paid as consideration does not exceed one crore rupees:

Jurisdiction of
District
Commission.

Provided that where the Central Government deems it necessary so to do, it may prescribe such other value, as it deems fit.

(2) A complaint shall be instituted in a District Commission within the local limits of whose jurisdiction,—

(a) the opposite party or each of the opposite parties, where there are more than one, at the time of the institution of the complaint, ordinarily resides or carries on business or has a branch office or personally works for gain; or

(b) any of the opposite parties, where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides, or carries on business or has a branch office, or personally works for gain, provided that in such case the permission of the District Commission is given; or

(c) the cause of action, wholly or in part, arises; or

(d) the complainant resides or personally works for gain.

(3) The District Commission shall ordinarily function in the district headquarters and may perform its functions at such other place in the district, as the State Government may, in consultation with the State Commission, notify in the Official Gazette from time to time.

Manner in
which
complaint
shall be made.

35. (1) A complaint, in relation to any goods sold or delivered or agreed to be sold or delivered or any service provided or agreed to be provided, may be filed with a District Commission by—

(a) the consumer,—

(i) to whom such goods are sold or delivered or agreed to be sold or delivered or such service is provided or agreed to be provided; or

(ii) who alleges unfair trade practice in respect of such goods or service;

(b) any recognised consumer association, whether the consumer to whom such goods are sold or delivered or agreed to be sold or delivered or such service is provided or agreed to be provided, or who alleges unfair trade practice in respect of such goods or service, is a member of such association or not;

(c) one or more consumers, where there are numerous consumers having the same interest, with the permission of the District Commission, on behalf of, or for the benefit of, all consumers so interested; or

(d) the Central Government, the Central Authority or the State Government, as the case may be:

Provided that the complaint under this sub-section may be filed electronically in such manner as may be prescribed.

Explanation.—For the purposes of this sub-section, "recognised consumer association" means any voluntary consumer association registered under any law for the time being in force.

(2) Every complaint filed under sub-section (1) shall be accompanied with such fee and payable in such manner, including electronic form, as may be prescribed.

36. (1) Every proceeding before the District Commission shall be conducted by the President of that Commission and atleast one member thereof, sitting together:

Provided that where a member, for any reason, is unable to conduct a proceeding till it is completed, the President and the other member shall continue the proceeding from the stage at which it was last heard by the previous member.

(2) On receipt of a complaint made under section 35, the District Commission may, by order, admit the complaint for being proceeded with or reject the same:

Provided that a complaint shall not be rejected under this section unless an opportunity of being heard has been given to the complainant:

Provided further that the admissibility of the complaint shall ordinarily be decided within twenty-one days from the date on which the complaint was filed.

(3) Where the District Commission does not decide the issue of admissibility of the complaint within the period so specified, it shall be deemed to have been admitted.

Reference to
mediation.

37. (1) At the first hearing of the complaint after its admission, or at any later stage, if it appears to the District Commission that there exists elements of a settlement which may be acceptable to the parties, except in such cases as may be prescribed, it may direct the parties to give in writing, within five days, consent to have their dispute settled by mediation in accordance with the provisions of Chapter V.

(2) Where the parties agree for settlement by mediation and give their consent in writing, the District Commission shall, within five days of receipt of such consent, refer the

matter for mediation, and in such case, the provisions of Chapter V, relating to mediation, shall apply.

38. (1) The District Commission shall, on admission of a complaint, or in respect of cases referred for mediation on failure of settlement by mediation, proceed with such complaint.

Procedure on admission of complaint.

(2) Where the complaint relates to any goods, the District Commission shall,—

(a) refer a copy of the admitted complaint, within twenty-one days from the date of its admission to the opposite party mentioned in the complaint directing him to give his version of the case within a period of thirty days or such extended period not exceeding fifteen days as may be granted by it;

(b) if the opposite party on receipt of a complaint referred to him under clause (a) denies or disputes the allegations contained in the complaint, or omits or fails to take any action to represent his case within the time given by the District Commission, proceed to settle the consumer dispute in the manner specified in clauses (c) to (g);

(c) if the complaint alleges a defect in the goods which cannot be determined without proper analysis or test of the goods, obtain a sample of the goods from the complainant, seal it and authenticate it in the manner as may be prescribed and refer the sample so sealed to the appropriate laboratory along with a direction that such laboratory to make an analysis or test, whichever may be necessary, with a view to finding out whether such goods suffer from any defect alleged in the complaint or from any other defect and to report its findings thereon to the District Commission within a period of forty-five days of the receipt of the reference or within such extended period as may be granted by it;

(d) before any sample of the goods is referred to any appropriate laboratory under clause (c), require the complainant to deposit to the credit of the Commission such fees as may be specified, for payment to the appropriate laboratory for carrying out the necessary analysis or test in relation to the goods in question;

(e) remit the amount deposited to its credit under clause (d) to the appropriate laboratory to enable it to carry out the analysis or test mentioned in clause (c) and on receipt of the report from the appropriate laboratory, it shall forward a copy of the report along with such remarks as it may feel appropriate to the opposite party;

(f) if any of the parties disputes the correctness of the findings of the appropriate laboratory, or disputes the correctness of the methods of analysis or test adopted by the appropriate laboratory, require the opposite party or the complainant to submit in writing his objections with regard to the report made by the appropriate laboratory;

(g) give a reasonable opportunity to the complainant as well as the opposite party of being heard as to the correctness or otherwise of the report made by the appropriate laboratory and also as to the objection made in relation thereto under clause (f) and issue an appropriate order under section 39.

(3) The District Commission shall, if the complaint admitted by it under sub-section (2) of section 36 relates to goods in respect of which the procedure specified in sub-section (2) cannot be followed, or if the complaint relates to any services,—

(a) refer a copy of such complaint to the opposite party directing him to give his version of the case within a period of thirty days or such extended period not exceeding fifteen days as may be granted by the District Commission;

(b) if the opposite party, on receipt of a copy of the complaint, referred to him under clause (a) denies or disputes the allegations contained in the complaint, or omits or fails to take any action to represent his case within the time given by the District Commission, it shall proceed to settle the consumer dispute—

(i) on the basis of evidence brought to its notice by the complainant and the opposite party, if the opposite party denies or disputes the allegations contained in the complaint, or

(ii) *ex parte* on the basis of evidence brought to its notice by the complainant, where the opposite party omits or fails to take any action to represent his case within the time given by the Commission;

(c) decide the complaint on merits if the complainant fails to appear on the date of hearing.

(4) For the purposes of sub-sections (2) and (3), the District Commission may, by order, require an electronic service provider to provide such information, documents or records, as may be specified in that order.

(5) No proceedings complying with the procedure laid down in sub-sections (1) and (2) shall be called in question in any court on the ground that the principles of natural justice have not been complied with.

(6) Every complaint shall be heard by the District Commission on the basis of affidavit and documentary evidence placed on record:

Provided that where an application is made for hearing or for examination of parties in person or through video conferencing, the District Commission may, on sufficient cause being shown, and after recording its reasons in writing, allow the same.

(7) Every complaint shall be disposed of as expeditiously as possible and endeavour shall be made to decide the complaint within a period of three months from the date of receipt of notice by opposite party where the complaint does not require analysis or testing of commodities and within five months if it requires analysis or testing of commodities:

Provided that no adjournment shall ordinarily be granted by the District Commission unless sufficient cause is shown and the reasons for grant of adjournment have been recorded in writing by the Commission:

Provided further that the District Commission shall make such orders as to the costs occasioned by the adjournment as may be specified by regulations:

Provided also that in the event of a complaint being disposed of after the period so specified, the District Commission shall record in writing, the reasons for the same at the time of disposing of the said complaint.

(8) Where during the pendency of any proceeding before the District Commission, if it appears necessary, it may pass such interim order as is just and proper in the facts and circumstances of the case.

(9) For the purposes of this section, the District Commission shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 while trying a suit in respect of the following matters, namely:—

5 of 1908.

(a) the summoning and enforcing the attendance of any defendant or witness and examining the witness on oath;

(b) requiring the discovery and production of any document or other material object as evidence;

(c) receiving of evidence on affidavits;

(d) the requisitioning of the report of the concerned analysis or test from the appropriate laboratory or from any other relevant source;

(e) issuing of commissions for the examination of any witness, or document; and

(f) any other matter which may be prescribed by the Central Government.

45 of 1860. (10) Every proceeding before the District Commission shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Penal Code, and the District Commission shall be deemed to be a criminal court for the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973.

2 of 1974. (II) Where the complainant is a consumer referred to in sub-clause (v) of clause (5) of section 2, the provisions of Order I Rule 8 of the First Schedule to the Code of Civil Procedure, 1908 shall apply subject to the modification that every reference therein to a suit or decree shall be construed as a reference to a complaint or the order of the District Commission thereon.

5 of 1908. (12) In the event of death of a complainant who is a consumer or of the opposite party against whom the complaint has been filed, the provisions of Order XXII of the First Schedule to the Code of Civil Procedure, 1908 shall apply subject to the modification that every reference therein to the plaintiff and the defendant shall be construed as reference to a complainant or the opposite party, as the case may be.

39. (1) Where the District Commission is satisfied that the goods complained against suffer from any of the defects specified in the complaint or that any of the allegations contained in the complaint about the services or any unfair trade practices, or claims for compensation under product liability are proved, it shall issue an order to the opposite party directing him to do one or more of the following, namely:—

Findings of
District
Commission.

(a) to remove the defect pointed out by the appropriate laboratory from the goods in question;

(b) to replace the goods with new goods of similar description which shall be free from any defect;

(c) to return to the complainant the price, or, as the case may be, the charges paid by the complainant along with such interest on such price or charges as may be decided;

(d) to pay such amount as may be awarded by it as compensation to the consumer for any loss or injury suffered by the consumer due to the negligence of the opposite party:

Provided that the District Commission shall have the power to grant punitive damages in such circumstances as it deems fit;

(e) to pay such amount as may be awarded by it as compensation in a product liability action under Chapter VI;

(f) to remove the defects in goods or deficiencies in the services in question;

(g) to discontinue the unfair trade practice or restrictive trade practice and not to repeat them;

(h) not to offer the hazardous or unsafe goods for sale;

(i) to withdraw the hazardous goods from being offered for sale;

(j) to cease manufacture of hazardous goods and to desist from offering services which are hazardous in nature;

(k) to pay such sum as may be determined by it, if it is of the opinion that loss or injury has been suffered by a large number of consumers who are not identifiable conveniently:

Provided that the minimum amount of sum so payable shall not be less than twenty-five per cent. of the value of such defective goods sold or service provided, as the case may be, to such consumers;

(l) to issue corrective advertisement to neutralise the effect of misleading advertisement at the cost of the opposite party responsible for issuing such misleading advertisement;

(m) to provide for adequate costs to parties; and

(n) to cease and desist from issuing any misleading advertisement.

(2) Any amount obtained under sub-section (1) shall be credited to such fund and utilised in such manner as may be prescribed.

(3) In any proceeding conducted by the President and a member and if they differ on any point or points, they shall state the point or points on which they differ and refer the same to another member for hearing on such point or points and the opinion of the majority shall be the order of the District Commission:

Provided that the other member shall give his opinion on such point or points referred to him within a period of one month from the date of such reference.

(4) Every order made by the District Commission under sub-section (1) shall be signed by the President and the member who conducted the proceeding:

Provided that where the order is made as per majority opinion under sub-section (3), such order shall also be signed by the other member.

Review by
District
Commission
in certain
cases.

40. The District Commission shall have the power to review any of the order passed by it if there is an error apparent on the face of the record, either of its own motion or on an application made by any of the parties within thirty days of such order.

Appeal
against order
of District
Commission.

41. Any person aggrieved by an order made by the District Commission may prefer an appeal against such order to the State Commission on the grounds of facts or law within a period of forty-five days from the date of the order, in such form and manner, as may be prescribed:

Provided that the State Commission may entertain an appeal after the expiry of the said period of forty-five days, if it is satisfied that there was sufficient cause for not filing it within that period:

Provided further that no appeal by a person, who is required to pay any amount in terms of an order of the District Commission, shall be entertained by the State Commission unless the appellant has deposited fifty per cent. of that amount in the manner as may be prescribed:

Provided also that no appeal shall lie from any order passed under sub-section (1) of section 81 by the District Commission pursuant to a settlement by mediation under section 80.

Establishment
of State
Consumer
Disputes
Redressal
Commission.

42. (1) The State Government shall, by notification, establish a State Consumer Disputes Redressal Commission, to be known as the State Commission, in the State.

(2) The State Commission shall ordinarily function at the State capital and perform its functions at such other places as the State Government may in consultation with the State Commission notify in the Official Gazette:

Provided that the State Government may, by notification, establish regional benches of the State Commission, at such places, as it deems fit.

(3) Each State Commission shall consist of—

(a) a President; and

(b) not less than four or not more than such number of members as may be prescribed in consultation with the Central Government.

43. The Central Government may, by notification, make rules to provide for the qualification for appointment, method of recruitment, procedure of appointment, term of office, resignation and removal of the President and members of the State Commission.

Qualifications,
etc., of
President and
members of
State
Commission.

44. The State Government may, by notification, make rules to provide for salaries and allowances and other terms and conditions of service of the President and members of the State Commission.

Salaries,
allowances and
other terms
and conditions
of service of
President and
members of
State
Commission.

45. Any person appointed as President or, as the case may be, a member of the State Commission immediately before the commencement of this Act shall hold office as such, as President or member, as the case may be, till the completion of his term.

Transitional
provision.

46. (1) The State Government shall determine the nature and categories of the officers and other employees required to assist the State Commission in the discharge of its functions and provide the Commission with such officers and other employees as it may think fit.

Officers and
employees of
State
Commission.

(2) The officers and other employees of the State Commission shall discharge their functions under the general superintendence of the President.

(3) The salaries and allowances payable to and the other terms and conditions of service of, the officers and other employees of the State Commission shall be such as may be prescribed.

47. (1) Subject to the other provisions of this Act, the State Commission shall have jurisdiction—

Jurisdiction of
State
Commission.

(a) to entertain—

(i) complaints where the value of the goods or services paid as consideration, exceeds rupees one crore, but does not exceed rupees ten crore:

Provided that where the Central Government deems it necessary so to do, it may prescribe such other value, as it deems fit;

(ii) complaints against unfair contracts, where the value of goods or services paid as consideration does not exceed ten crore rupees;

(iii) appeals against the orders of any District Commission within the State; and

(b) to call for the records and pass appropriate orders in any consumer dispute which is pending before or has been decided by any District Commission within the State, where it appears to the State Commission that such District Commission has exercised a jurisdiction not vested in it by law, or has failed to exercise a jurisdiction so vested or has acted in exercise of its jurisdiction illegally or with material irregularity.

(2) The jurisdiction, powers and authority of the State Commission may be exercised by Benches thereof, and a Bench may be constituted by the President with one or more members as the President may deem fit:

Provided that the senior-most member shall preside over the Bench.

(3) Where the members of a Bench differ in opinion on any point, the points shall be decided according to the opinion of the majority, if there is a majority, but if the members are equally divided, they shall state the point or points on which they differ, and make a reference to the President who shall either hear the point or points himself or refer the case for hearing on such point or points by one or more of the other members and such point or points shall

be decided according to the opinion of the majority of the members who have heard the case, including those who first heard it:

Provided that the President or the other members, as the case may be, shall give opinion on the point or points so referred within a period of one month from the date of such reference.

(4) A complaint shall be instituted in a State Commission within the limits of whose jurisdiction,—

(a) the opposite party or each of the opposite parties, where there are more than one, at the time of the institution of the complaint, ordinarily resides or carries on business or has a branch office or personally works for gain; or

(b) any of the opposite parties, where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides, or carries on business or has a branch office or personally works for gain, provided in such case, the permission of the State Commission is given; or

(c) the cause of action, wholly or in part, arises; or

(d) the complainant resides or personally works for gain.

Transfer of cases.

48. On the application of the complainant or of its own motion, the State Commission may, at any stage of the proceeding, transfer any complaint pending before a District Commission to another District Commission within the State if the interest of justice so requires.

Procedure applicable to State Commission.

49. (1) The provisions relating to complaints under sections 35, 36, 37, 38 and 39 shall, with such modifications as may be necessary, be applicable to the disposal of complaints by the State Commission.

(2) Without prejudice to the provisions of sub-section (1), the State Commission may also declare any terms of contract, which is unfair to any consumer, to be null and void.

Review by State Commission in certain cases.

50. The State Commission shall have the power to review any of the order passed by it if there is an error apparent on the face of the record, either of its own motion or on an application made by any of the parties within thirty days of such order.

Appeal to National Commission.

51. (1) Any person aggrieved by an order made by the State Commission in exercise of its powers conferred by sub-clause (i) or (ii) of clause (a) of sub-section (1) of section 47 may prefer an appeal against such order to the National Commission within a period of thirty days from the date of the order in such form and manner as may be prescribed:

Provided that the National Commission shall not entertain the appeal after the expiry of the said period of thirty days unless it is satisfied that there was sufficient cause for not filing it within that period:

Provided further that no appeal by a person, who is required to pay any amount in terms of an order of the State Commission, shall be entertained by the National Commission unless the appellant has deposited fifty per cent. of that amount in the manner as may be prescribed.

(2) Save as otherwise expressly provided under this Act or by any other law for the time being in force, an appeal shall lie to the National Commission from any order passed in appeal by any State Commission, if the National Commission is satisfied that the case involves a substantial question of law.

(3) In an appeal involving a question of law, the memorandum of appeal shall precisely state the substantial question of law involved in the appeal.

(4) Where the National Commission is satisfied that a substantial question of law is involved in any case, it shall formulate that question and hear the appeal on that question:

Provided that nothing in this sub-section shall be deemed to take away or abridge the power of the National Commission to hear, for reasons to be recorded in writing, the appeal on any other substantial question of law, if it is satisfied that the case involves such question of law.

(5) An appeal may lie to the National Commission under this section from an order passed *ex parte* by the State Commission.

52. An appeal filed before the State Commission or the National Commission, as the case may be, shall be heard as expeditiously as possible and every endeavour shall be made to dispose of the appeal within a period of ninety days from the date of its admission:

Hearing of appeal.

Provided that no adjournment shall ordinarily be granted by the State Commission or the National Commission, as the case may be, unless sufficient cause is shown and the reasons for grant of adjournment have been recorded in writing by such Commission:

Provided further that the State Commission or the National Commission, as the case may be, shall make such orders as to the costs occasioned by the adjournment, as may be specified by regulations:

Provided also that in the event of an appeal being disposed of after the period so specified, the State Commission or the National Commission, as the case may be, shall record in writing the reasons for the same at the time of disposing of the said appeal.

53. (1) The Central Government shall, by notification, establish a National Consumer Disputes Redressal Commission, to be known as the National Commission.

Establishment of National Consumer Disputes Redressal Commission.

(2) The National Commission shall ordinarily function at the National Capital Region and perform its functions at such other places as the Central Government may in consultation with the National Commission notify in the Official Gazette:

Provided that the Central Government may, by notification, establish regional Benches of the National Commission, at such places, as it deems fit.

54. The National Commission shall consist of—

Composition of National Commission.

(a) a President; and

(b) not less than four and not more than such number of members as may be prescribed.

55. (1) The Central Government may, by notification, make rules to provide for qualifications, appointment, term of office, salaries and allowances, resignation, removal and other terms and conditions of service of the President and members of the National Commission:

Qualifications, etc., of President and members of National Commission.

Provided that the President and members of the National Commission shall hold office for such term as specified in the rules made by the Central Government but not exceeding five years from the date on which he enters upon his office and shall be eligible for re-appointment:

Provided further that no President or members shall hold office as such after he has attained such age as specified in the rules made by the Central Government which shall not exceed,—

(a) in the case of the President, the age of seventy years;

(b) in the case of any other member, the age of sixty-seven years.

(2) Neither the salary and allowances nor the other terms and conditions of service of President and members of the National Commission shall be varied to his disadvantage after his appointment.

Transitional provision.

56. The President and every other member appointed immediately before the commencement of section 177 of the Finance Act, 2017 shall continue to be governed by the provisions of the Consumer Protection Act, 1986 and the rules made thereunder as if this Act had not come into force.

7 of 2017.
68 of 1986.

Other officers and employees of National Commission.

57. (1) The Central Government shall provide, in consultation with the President of the National Commission, such number of officers and other employees to assist the National Commission in the discharge of its functions as it may think fit.

(2) The officers and other employees of the National Commission shall discharge their functions under the general superintendence of the President of the National Commission.

(3) The salaries and allowances payable to, and the other terms and conditions of service of, the officers and other employees of the National Commission shall be such as may be prescribed.

Jurisdiction of National Commission.

58. (1) Subject to the other provisions of this Act, the National Commission shall have jurisdiction—

(a) to entertain—

(i) complaints where the value of the goods or services paid as consideration exceeds rupees ten crore:

Provided that where the Central Government deems it necessary so to do, it may prescribe such other value, as it deems fit;

(ii) complaints against unfair contracts, where the value of goods or services paid as consideration exceeds ten crore rupees;

(iii) appeals against the orders of any State Commission;

(iv) appeals against the orders of the Central Authority; and

(b) to call for the records and pass appropriate orders in any consumer dispute which is pending before or has been decided by any State Commission where it appears to the National Commission that such State Commission has exercised a jurisdiction not vested in it by law, or has failed to exercise a jurisdiction so vested, or has acted in the exercise of its jurisdiction illegally or with material irregularity.

(2) The jurisdiction, powers and authority of the National Commission may be exercised by Benches thereof and a Bench may be constituted by the President with one or more members as he may deem fit:

Provided that the senior-most member of the Bench shall preside over the Bench.

(3) Where the members of a Bench differ in opinion on any point, the points shall be decided according to the opinion of the majority, if there is a majority, but if the members are equally divided, they shall state the point or points on which they differ, and make a reference to the President who shall either hear the point or points himself or refer the case for hearing on such point or points by one or more of the other members and such point or points shall be decided according to the opinion of the majority of the members who have heard the case, including those who first heard it:

Provided that the President or the other member, as the case may be, shall give opinion on the point or points so referred within a period of two months from the date of such reference.

Procedure applicable to National Commission.

59. (1) The provisions relating to complaints under sections 35, 36, 37, 38 and 39 shall, with such modifications as may be considered necessary, be applicable to the disposal of complaints by the National Commission.

(2) Without prejudice to sub-section (1), the National Commission may also declare any terms of contract, which is unfair to any consumer to be null and void.

60. The National Commission shall have the power to review any of the order passed by it if there is an error apparent on the face of the record, either of its own motion or on an application made by any of the parties within thirty days of such order.

Review by
National
Commission in
certain cases.

61. Where an order is passed by the National Commission *ex parte*, the aggrieved party may make an application to the Commission for setting aside such order.

Power to set
aside *ex parte*
orders.

62. On the application of the complainant or of its own motion, the National Commission may, at any stage of the proceeding, in the interest of justice, transfer any complaint pending before the District Commission of one State to a District Commission of another State or before one State Commission to another State Commission.

Transfer of
cases.

63. When the office of President of the National Commission is vacant or a person occupying such office is, by reason of absence or otherwise, unable to perform the duties of his office, these shall be performed by the senior-most member of the National Commission:

Vacancy in
office of
President of
National
Commission.

Provided that where a retired Judge of a High Court or a person who has been a Judicial Member is a member of the National Commission, such member or where the number of such members is more than one, the senior-most person amongst such members, shall preside over the National Commission in the absence of President of that Commission.

64. No act or proceeding of the District Commission, the State Commission or the National Commission shall be invalid by reason only of the existence of any vacancy amongst its members or any defect in the constitution thereof.

Vacancies or
defects in
appointment
not to
invalidate
orders.

65. (1) All notices, required by this Act to be served, shall be served by delivering or transmitting a copy thereof by registered post acknowledgment due addressed to opposite party against whom complaint is made or to the complainant by speed post or by such courier service, approved by the District Commission, the State Commission or the National Commission, as the case may be, or by any other mode of transmission of documents including electronic means.

Service of
notice, etc.

(2) Without prejudice to the provisions contained in sub-section (1), the notice required by this Act may be served on an electronic service provider at the address provided by it on the electronic platform from where it provides its services as such and for this purpose, the electronic service provider shall designate a nodal officer to accept and process such notices.

(3) When an acknowledgment or any other receipt purporting to be signed by the opposite party or his agent or, as the case may be, by the complainant is received by the District Commission, the State Commission or the National Commission, as the case may be, or postal article containing the notice is received back by such District Commission, State Commission or the National Commission, with an endorsement purporting to have been made by a postal employee or by any person authorised by the courier service to the effect that the opposite party or his agent or complainant had refused to take delivery of the postal article containing the notice or had refused to accept the notice by any other means specified in sub-section (1) when tendered or transmitted to him, the District Commission or the State Commission or the National Commission, as the case may be, shall declare that the notice has been duly served on the opposite party or to the complainant, as the case may be:

Provided that where the notice was properly addressed, pre-paid and duly sent by registered post acknowledgment due, a declaration referred to in this sub-section shall be made notwithstanding the fact that the acknowledgment has been lost or misplaced, or for any other reason, has not been received by the District Commission, the State Commission or the National Commission, as the case may be, within thirty days from the date of issue of notice.

(4) All notices required to be served on an opposite party or to complainant, as the case may be, shall be deemed to be sufficiently served, if addressed in the case of the opposite party, to the place where business or profession is carried on, and in case of the complainant, the place where such person actually and voluntarily resides.

Experts to assist National Commission or State Commission.

66. Where the National Commission or the State Commission, as the case may be, on an application by a complainant or otherwise, is of the opinion that it involves the larger interest of consumers, it may direct any individual or organisation or expert to assist the National Commission or the State Commission, as the case may be.

Appeal against order of National Commission.

67. Any person, aggrieved by an order made by the National Commission in exercise of its powers conferred by sub-clause (i) or (ii) of clause (a) of sub-section (I) of section 58, may prefer an appeal against such order to the Supreme Court within a period of thirty days from the date of the order:

Provided that the Supreme Court may entertain an appeal after the expiry of the said period of thirty days if it is satisfied that there was sufficient cause for not filing it within that period:

Provided further that no appeal by a person who is required to pay any amount in terms of an order of the National Commission shall be entertained by the Supreme Court unless that person has deposited fifty per cent. of that amount in the manner as may be prescribed.

Finality of orders.

68. Every order of a District Commission or the State Commission or the National Commission, as the case may be, shall, if no appeal has been preferred against such order under the provisions of this Act, be final.

Limitation period.

69. (1) The District Commission, the State Commission or the National Commission shall not admit a complaint unless it is filed within two years from the date on which the cause of action has arisen.

(2) Notwithstanding anything contained in sub-section (1), a complaint may be entertained after the period specified in sub-section (1), if the complainant satisfies the District Commission, the State Commission or the National Commission, as the case may be, that he had sufficient cause for not filing the complaint within such period:

Provided that no such complaint shall be entertained unless the District Commission or the State Commission or the National Commission, as the case may be, records its reasons for condoning such delay.

Administrative control.

70. (1) The National Commission shall have the authority to lay down such adequate standards in consultation with the Central Government from time to time, for better protection of the interests of consumers and for that purpose, shall have administrative control over all the State Commissions in the following matters, namely:—

(a) monitoring performance of the State Commissions in terms of their disposal by calling for periodical returns regarding the institution, disposal and pendency of cases;

(b) investigating into any allegations against the President and members of a State Commission and submitting inquiry report to the State Government concerned along with copy endorsed to the Central Government for necessary action;

(c) issuance of instructions regarding adoption of uniform procedure in the hearing of matters, prior service of copies of documents produced by one party to the opposite parties, furnishing of english translation of judgments written in any language, speedy grant of copies of documents;

(d) overseeing the functioning of the State Commission or the District Commission either by way of inspection or by any other means, as the National Commission may like to order from time to time, to ensure that the objects and purposes of the Act are best served and the standards set by the National Commission are implemented without interfering with their quasi-judicial freedom.

(2) There shall be a monitoring cell to be constituted by the President of the National Commission to oversee the functioning of the State Commissions from the administrative point of view.

(3) The State Commission shall have administrative control over all the District Commissions within its jurisdiction in all matters referred to in sub-section (I).

(4) The National Commission and the State Commissions shall furnish to the Central Government periodically or as and when required, any information including the pendency of cases in such form and manner as may be prescribed.

(5) The State Commission shall furnish, periodically or as and when required to the State Government any information including pendency of cases in such form and manner as may be prescribed.

71. Every order made by a District Commission, State Commission or the National Commission shall be enforced by it in the same manner as if it were a decree made by a Court in a suit before it and the provisions of Order XXI of the First Schedule to the Code of Civil Procedure, 1908 shall, as far as may be, applicable, subject to the modification that every reference therein to the decree shall be construed as reference to the order made under this Act.

Enforcement of orders of District Commission, State Commission and National Commission.

72. (I) Whoever fails to comply with any order made by the District Commission or the State Commission or the National Commission, as the case may be, shall be punishable with imprisonment for a term which shall not be less than one month, but which may extend to three years, or with fine, which shall not be less than twenty-five thousand rupees, but which may extend to one lakh rupees, or with both.

Penalty for non-compliance of order.

2 of 1974. (2) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the District Commission, the State Commission or the National Commission, as the case may be, shall have the power of a Judicial Magistrate of first class for the trial of offences under sub-section (I), and on conferment of such powers, the District Commission or the State Commission or the National Commission, as the case may be, shall be deemed to be a Judicial Magistrate of first class for the purposes of the Code of Criminal Procedure, 1973.

(3) Save as otherwise provided, the offences under sub-section (I) shall be tried summarily by the District Commission or the State Commission or the National Commission, as the case may be.

2 of 1974. **73. (I)** Notwithstanding anything contained in the Code of Criminal Procedure, 1973, where an order is passed under sub-section (I) of section 72, an appeal shall lie, both on facts and on law from—

Appeal against order passed under section 72.

- (a) the order made by the District Commission to the State Commission;
- (b) the order made by the State Commission to the National Commission; and
- (c) the order made by the National Commission to the Supreme Court.

(2) Except as provided in sub-section (I), no appeal shall lie before any court, from any order of a District Commission or a State Commission or the National Commission, as the case may be.

(3) Every appeal under this section shall be preferred within a period of thirty days from the date of order of a District Commission or a State Commission or the National Commission, as the case may be:

Provided that the State Commission or the National Commission or the Supreme Court, as the case may be, may entertain an appeal after the expiry of the said period of thirty days, if it is satisfied that the appellant had sufficient cause for not preferring the appeal within the said period of thirty days.

CHAPTER V

MEDIATION

Establishment of consumer mediation cell.

74. (1) The State Government shall establish, by notification, a consumer mediation cell to be attached to each of the District Commissions and the State Commissions of that State.

(2) The Central Government shall establish, by notification, a consumer mediation cell to be attached to the National Commission and each of the regional Benches.

(3) A consumer mediation cell shall consist of such persons as may be prescribed.

(4) Every consumer mediation cell shall maintain—

- (a) a list of empanelled mediators;
- (b) a list of cases handled by the cell;
- (c) record of proceeding; and
- (d) any other information as may be specified by regulations.

(5) Every consumer mediation cell shall submit a quarterly report to the District Commission, State Commission or the National Commission to which it is attached, in the manner specified by regulations.

Empanelment of mediators.

75. (1) For the purpose of mediation, the National Commission or the State Commission or the District Commission, as the case may be, shall prepare a panel of the mediators to be maintained by the consumer mediation cell attached to it, on the recommendation of a selection committee consisting of the President and a member of that Commission.

(2) The qualifications and experience required for empanelment as mediator, the procedure for empanelment, the manner of training empanelled mediators, the fee payable to empanelled mediator, the terms and conditions for empanelment, the code of conduct for empanelled mediators, the grounds on which, and the manner in which, empanelled mediators shall be removed or empanelment shall be cancelled and other matters relating thereto, shall be such as may be specified by regulations.

(3) The panel of mediators prepared under sub-section (1) shall be valid for a period of five years, and the empanelled mediators shall be eligible to be considered for re-empanelment for another term, subject to such conditions as may be specified by regulations.

Nomination of mediators from panel.

76. The District Commission, the State Commission or the National Commission shall, while nominating any person from the panel of mediators referred to in section 75, consider his suitability for resolving the consumer dispute involved.

Duty of mediator to disclose certain facts.

77. It shall be the duty of the mediator to disclose—

- (a) any personal, professional or financial interest in the outcome of the consumer dispute;
- (b) the circumstances which may give rise to a justifiable doubt as to his independence or impartiality; and
- (c) such other facts as may be specified by regulations.

Replacement of mediator in certain cases.

78. Where the District Commission or the State Commission or the National Commission, as the case may be, is satisfied, on the information furnished by the mediator or on the information received from any other person including parties to the complaint and after hearing the mediator, it shall replace such mediator by another mediator.

79. (1) The mediation shall be held in the consumer mediation cell attached to the District Commission, the State Commission or the National Commission, as the case may be.

Procedure for mediation.

(2) Where a consumer dispute is referred for mediation by the District Commission or the State Commission or the National Commission, as the case may be, the mediator nominated by such Commission shall have regard to the rights and obligations of the parties, the usages of trade, if any, the circumstances giving rise to the consumer dispute and such other relevant factors, as he may deem necessary and shall be guided by the principles of natural justice while carrying out mediation.

(3) The mediator so nominated shall conduct mediation within such time and in such manner as may be specified by regulations.

80. (1) Pursuant to mediation, if an agreement is reached between the parties with respect to all of the issues involved in the consumer dispute or with respect to only some of the issues, the terms of such agreement shall be reduced to writing accordingly, and signed by the parties to such dispute or their authorised representatives.

Settlement through mediation.

(2) The mediator shall prepare a settlement report of the settlement and forward the signed agreement along with such report to the concerned Commission.

(3) Where no agreement is reached between the parties within the specified time or the mediator is of the opinion that settlement is not possible, he shall prepare his report accordingly and submit the same to the concerned Commission.

81. (1) The District Commission or the State Commission or the National Commission, as the case may be, shall, within seven days of the receipt of the settlement report, pass suitable order recording such settlement of consumer dispute and dispose of the matter accordingly.

Recording settlement and passing of order.

(2) Where the consumer dispute is settled only in part, the District Commission or the State Commission or the National Commission, as the case may be, shall record settlement of the issues which have been so settled and continue to hear other issues involved in such consumer dispute.

(3) Where the consumer dispute could not be settled by mediation, the District Commission or the State Commission or the National Commission, as the case may be, shall continue to hear all the issues involved in such consumer dispute.

CHAPTER VI

PRODUCT LIABILITY

82. This Chapter shall apply to every claim for compensation under a product liability action by a complainant for any harm caused by a defective product manufactured by a product manufacturer or serviced by a product service provider or sold by a product seller.

Application of Chapter.

83. A product liability action may be brought by a complainant against a product manufacturer or a product service provider or a product seller, as the case may be, for any harm caused to him on account of a defective product.

Product liability action.

84. (1) A product manufacturer shall be liable in a product liability action, if—

Liability of product manufacturer.

(a) the product contains a manufacturing defect; or

(b) the product is defective in design; or

(c) there is a deviation from manufacturing specifications; or

(d) the product does not conform to the express warranty; or

(e) the product fails to contain adequate instructions of correct usage to prevent any harm or any warning regarding improper or incorrect usage.

(2) A product manufacturer shall be liable in a product liability action even if he proves that he was not negligent or fraudulent in making the express warranty of a product.

Liability of product service provider.

85. A product service provider shall be liable in a product liability action, if—

(a) the service provided by him was faulty or imperfect or deficient or inadequate in quality, nature or manner of performance which is required to be provided by or under any law for the time being in force, or pursuant to any contract or otherwise; or

(b) there was an act of omission or commission or negligence or conscious withholding any information which caused harm; or

(c) the service provider did not issue adequate instructions or warnings to prevent any harm; or

(d) the service did not conform to express warranty or the terms and conditions of the contract.

Liability of product sellers.

86. A product seller who is not a product manufacturer shall be liable in a product liability action, if—

(a) he has exercised substantial control over the designing, testing, manufacturing, packaging or labelling of a product that caused harm; or

(b) he has altered or modified the product and such alteration or modification was the substantial factor in causing the harm; or

(c) he has made an express warranty of a product independent of any express warranty made by a manufacturer and such product failed to conform to the express warranty made by the product seller which caused the harm; or

(d) the product has been sold by him and the identity of product manufacturer of such product is not known, or if known, the service of notice or process or warrant cannot be effected on him or he is not subject to the law which is in force in India or the order, if any, passed or to be passed cannot be enforced against him; or

(e) he failed to exercise reasonable care in assembling, inspecting or maintaining such product or he did not pass on the warnings or instructions of the product manufacturer regarding the dangers involved or proper usage of the product while selling such product and such failure was the proximate cause of the harm.

Exceptions to product liability action.

87. (1) A product liability action cannot be brought against the product seller if, at the time of harm, the product was misused, altered, or modified.

(2) In any product liability action based on the failure to provide adequate warnings or instructions, the product manufacturer shall not be liable, if—

(a) the product was purchased by an employer for use at the workplace and the product manufacturer had provided warnings or instructions to such employer;

(b) the product was sold as a component or material to be used in another product and necessary warnings or instructions were given by the product manufacturer to the purchaser of such component or material, but the harm was caused to the complainant by use of the end product in which such component or material was used;

(c) the product was one which was legally meant to be used or dispensed only by or under the supervision of an expert or a class of experts and the product manufacturer had employed reasonable means to give the warnings or instructions for usage of such product to such expert or class of experts; or

(d) the complainant, while using such product, was under the influence of alcohol or any prescription drug which had not been prescribed by a medical practitioner.

(3) A product manufacturer shall not be liable for failure to instruct or warn about a danger which is obvious or commonly known to the user or consumer of such product or which, such user or consumer, ought to have known, taking into account the characteristics of such product.

CHAPTER VII

OFFENCES AND PENALTIES

88. Whoever, fails to comply with any direction of the Central Authority under sections 20 and 21, shall be punished with imprisonment for a term which may extend to six months or with fine which may extend to twenty lakh rupees, or with both.

Penalty for non-compliance of direction of Central Authority.

89. Any manufacturer or service provider who causes a false or misleading advertisement to be made which is prejudicial to the interest of consumers shall be punished with imprisonment for a term which may extend to two years and with fine which may extend to ten lakh rupees; and for every subsequent offence, be punished with imprisonment for a term which may extend to five years and with fine which may extend to fifty lakh rupees.

Punishment for false or misleading advertisement.

90. (1) Whoever, by himself or by any other person on his behalf, manufactures for sale or stores or sells or distributes or imports any product containing an adulterant shall be punished, if such act—

Punishment for manufacturing for sale or storing, selling or distributing or importing products containing adulterant.

(a) does not result in any injury to the consumer, with imprisonment for a term which may extend to six months and with fine which may extend to one lakh rupees;

(b) causing injury not amounting to grievous hurt to the consumer, with imprisonment for a term which may extend to one year and with fine which may extend to three lakh rupees;

(c) causing injury resulting in grievous hurt to the consumer, with imprisonment for a term which may extend to seven years and with fine which may extend to five lakh rupees; and

(d) results in the death of a consumer, with imprisonment for a term which shall not be less than seven years, but which may extend to imprisonment for life and with fine which shall not be less than ten lakh rupees.

(2) The offences under clauses (c) and (d) of sub-section (1) shall be cognizable and non-bailable.

(3) Notwithstanding the punishment under sub-section (1), the court may, in case of first conviction, suspend any licence issued to the person referred to in that sub-section, under any law for the time being in force, for a period up to two years, and in case of second or subsequent conviction, cancel the licence.

*Explanation.—*For the purposes of this section,—

(a) "adulterant" means any material including extraneous matter which is employed or used for making a product unsafe;

(b) "grievous hurt" shall have the same meaning as assigned to it in section 320 of the Indian Penal Code.

45 of 1860.

91. (1) Whoever, by himself or by any other person on his behalf, manufactures for sale or stores or sells or distributes or imports any spurious goods shall be punished, if such act—

Punishment for manufacturing for sale or for storing or selling or distributing or importing spurious goods.

(a) causing injury not amounting to grievous hurt to the consumer, with imprisonment for a term which may extend to one year and with fine which may extend to three lakh rupees;

(b) causing injury resulting in grievous hurt to the consumer, with imprisonment for a term which may extend to seven years and with fine which may extend to five lakh rupees;

(c) results in the death of a consumer, with imprisonment for a term which shall not be less than seven years, but may extend to imprisonment for life and with fine which shall not be less than ten lakh rupees.

(2) The offences under clauses (b) and (c) of sub-section (1) shall be cognizable and non-bailable.

(3) Notwithstanding the punishment under sub-section (1), the court may, in case of first conviction, suspend any licence issued to the person referred to in that sub-section, under any law for the time being in force, for a period up to two years, and in case of second or subsequent conviction, cancel the licence.

Cognizance of offence by court. **92.** No cognizance shall be taken by a competent court of any offence under sections 88 and 89 except on a complaint filed by the Central Authority or any officer authorised by it in this behalf.

Vexatious search. **93.** The Director General or any other officer, exercising powers under section 22, who knows that there are no reasonable grounds for so doing, and yet—

- (a) searches, or causes to be searched any premises; or
- (b) seizes any record, register or other document or article,

shall, for every such offence, be punished with imprisonment for a term which may extend to one year, or with fine which may extend to ten thousand rupees or with both.

CHAPTER VIII

MISCELLANEOUS

Measures to prevent unfair trade practices in e-commerce, direct selling, etc. **94.** For the purposes of preventing unfair trade practices in e-commerce, direct selling and also to protect the interest and rights of consumers, the Central Government may take such measures in the manner as may be prescribed.

Presidents, members, Chief Commissioner, Commissioner and certain officers to be public servants. **95.** The Presidents and members of the District Commission, the State Commission and the National Commission, and officers and other employees thereof, the Chief Commissioner and the Commissioner of the Central Authority, the Director General, the Additional Director General, the Director, the Joint Director, the Deputy Director and the Assistant Director and all other officers and employees of the Central Authority and other persons performing any duty under this Act, while acting or purporting to act in pursuance of any of the provisions of this Act, shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

Compounding of offences. **96. (1)** Any offence punishable under sections 88 and 89, may, either before or after the institution of the prosecution, be compounded, on payment of such amount as may be prescribed:

Provided that no compounding of such offence shall be made without the leave of the court before which a complaint has been filed under section 92:

Provided further that such sum shall not, in any case, exceed the maximum amount of the fine, which may be imposed under this Act for the offence so compounded.

(2) The Central Authority or any officer as may be specially authorised by him in this behalf, may compound offences under sub-section (1).

(3) Nothing in sub-section (1) shall apply to person who commits the same or similar offence, within a period of three years from the date on which the first offence, committed by him, was compounded.

Explanation.—For the purposes of this sub-section, any second or subsequent offence committed after the expiry of a period of three years from the date on which the offence was previously compounded, shall be deemed to be a first offence.

(4) Where an offence has been compounded under sub-section (1), no proceeding or further proceeding, as the case may be, shall be taken against the offender in respect of the offence so compounded.

(5) The acceptance of the sum of money for compounding an offence in accordance with sub-section (1) by the Central Authority or an officer of the Central Authority empowered in this behalf shall be deemed to amount to an acquittal within the meaning of the Code of Criminal Procedure, 1974.

97. The penalty collected under section 21 and the amount collected under section 96 shall be credited to such fund as may be prescribed.

Manner of crediting penalty.

Protection of action taken in good faith.

98. No suit, prosecution or other legal proceeding shall lie against the Presidents and members of the District Commission, the State Commission and the National Commission, the Chief Commissioner, the Commissioner, any officer or employee and other person performing any duty under this Act, for any act which is in good faith done or intended to be done in pursuance of this Act or under any rule or order made thereunder.

99. (1) Without prejudice to the foregoing provisions of this Act, the Central Authority, shall, in exercise of its powers or the performance of its functions under this Act, be bound by such directions on questions of policy, as the Central Government may give in writing to it from time to time:

Power to give directions by Central Government.

Provided that the Central Authority shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.

(2) The decision of the Central Government whether a question is one of policy or not shall be final.

100. The provisions of this Act shall be in addition to and not in derogation of the provisions of any other law for the time being in force.

Act not in derogation of any other law.

101. (1) The Central Government may, by notification, make rules for carrying out any of the provisions contained in this Act.

Power of Central Government to make rules.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for,—

(a) the other class or classes of persons including public utility entities under clause (19) of section 2;

(b) the contest, lottery, game of chance or skill which are to be exempted under item (b) of sub-clause (iii) of clause (47) of section 2;

(c) the manner of issuing bill or cash memo or receipt for goods sold or services rendered under sub-clause (vii) of clause (47) of section 2;

(d) the number of other official or non-official members of the Central Council under clause (b) of sub-section (2) of section 3;

(e) the time and place of meeting of Central Council and the procedure for the transaction of its business under sub-section (2) of section 4;

(f) the number of Commissioners in the Central Authority under sub-section (2) of section 10;

- (g) the qualifications for appointment, method of recruitment, procedure of appointment, term of office, salaries and allowances, resignation, removal and other terms and conditions of service of the Chief Commissioner and other Commissioners of the Central Authority under section 11;
- (h) the salaries and allowances payable to, and the other terms and conditions of service of, the officers and other employees of the Central Authority under sub-section (2) of section 13;
- (i) the qualifications for appointment of Director General, Additional Director General, Director, Joint Director, Deputy Director and Assistant Director and the manner of appointment under sub-section (2) of section 15;
- (j) the manner of taking copies or extracts of document, record or article seized or produced before returning to the person under sub-section (3) of section 22;
- (k) the officer and the manner of disposing of articles which are subject to speedy or natural decay under sub-section (4) of section 22;
- (l) the form and manner for preparing annual statement of accounts by the Central Authority in consultation with the Comptroller and Auditor-General of India under sub-section (1) of section 26;
- (m) the form in which, and the time within which, an annual report, other reports and returns may be prepared by the Central Authority under sub-section (1) of section 27;
- (n) the qualifications for appointment, method of recruitment, procedure for appointment, term of office, resignation and removal of President and members of the District Commission under section 29;
- (o) the other value of goods and services in respect of which the District Commission shall have jurisdiction to entertain complaints under proviso to sub-section (1) of section 34;
- (p) the manner of electronically filing complaint under the proviso to sub-section (1) of section 35;
- (q) the fee, electronic form and the manner of payment of fee for filing complaint under sub-section (2) of section 35;
- (r) the cases which may not be referred for settlement by mediation under sub-section (1) of section 37;
- (s) the manner of authentication of goods sampled in case of the National Commission under clause (c) of sub-section (2) of section 38;
- (t) any other matter which may be prescribed under clause (f) of sub-section (9) of section 38;
- (u) the fund where the amount obtained may be credited and the manner of utilisation of such amount under sub-section (2) of section 39;
- (v) the form and the manner in which appeal may be preferred to the State Commission under section 41;
- (w) the qualifications for appointment, method of recruitment, procedure for appointment, term of office, resignation and removal of the President and members of the State Commission under section 43;
- (x) the other value of goods and services in respect of which the State Commission shall have jurisdiction under the proviso to sub-clause (i) of clause (a) of sub-section (1) of section 47;

- (y) the form and manner of filing appeal to the National Commission, and the manner of depositing fifty per cent. of the amount before filing appeal, under sub-section (I) of section 51;
- (z) the number of members of the National Commission under clause (b) of section 54;
- (za) the qualifications, appointment, term of office, salaries and allowances, resignation, removal and other terms and conditions of service of the President and members of the National Commission under sub-section (I) of section 55;
- (zb) the salaries and allowances payable to, and other terms and conditions of service of, the officers and other employees of the National Commission under sub-section (3) of section 57;
- (zc) the other value of goods and services in respect of which the National Commission shall have jurisdiction under the proviso to sub-clause (i) of clause (a) of sub-section (I) of section 58;
- (zd) the manner of depositing fifty per cent. of the amount under the second proviso to section 67;
- (ze) the form in which the National Commission and the State Commission shall furnish information to the Central Government under sub-section (4) of section 70;
- (zf) the persons in the consumer mediation cell under sub-section (3) of section 74;
- (zg) the measures to be taken by the Central Government to prevent unfair trade practices in e-commerce, direct selling under section 94;
- (zh) the amount for compounding offences under sub-section (I) of section 96;
- (zi) the fund to which the penalty and amount collected shall be credited under section 97; and
- (zj) any other matter which is to be, or may be, prescribed, or in respect of which provisions are to be, or may be, made by rules.

102. (1) The State Governments may, by notification, make rules for carrying out the provisions of this Act:

Provided that the Central Government may, frame model rules in respect of all or any of the matters with respect to which the State Government may make rules under this section, and where any such model rules have been framed in respect of any such matter, they shall apply to the State until the rules in respect of that matter is made by the State Government and while making any such rules, so far as is practicable, they shall conform to such model rules.

Power of
State
Government
to make rules.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

- (a) the other class or classes of persons including public utility entities under clause (19) of section 2;
- (b) the contest, lottery, game of chance or skill which are to be exempted under item (b) of sub-clause (iii) of clause (47) of section 2;
- (c) the number of other official or non-official members of the State Council under clause (b) of sub-section (2) of section 6;
- (d) the time and place of meeting of the State Council and the procedure for the transaction of its business under sub-section (4) of section 6;
- (e) the number of other official and non-official members of District Council under clause (b) of sub-section (2) of section 8;
- (f) the time and place of meeting of the District Council and procedure for the transaction of its business under sub-section (4) of section 8;

- (g) the number of members of the District Commission under clause (b) of sub-section (2) of section 28;
- (h) the salaries and allowances payable to, and other terms and conditions of service of, the President and members of the District Commission under section 30;
- (i) the salaries and allowances payable to, and other terms and conditions of service of, the officers and other employees of the District Commission under sub-section (3) of section 33;
- (j) the manner of authentication of goods sampled by the State Commission and the District Commission under clause (c) of sub-section (2) of section 38;
- (k) the manner of depositing fifty per cent. of the amount before filing appeal under second proviso to section 41;
- (l) the number of members of the State Commission under sub-section (3) of section 42;
- (m) the salaries and allowances payable to, and other terms and conditions of service of, the President and members of the State Commission under section 44;
- (n) the salaries and allowances payable to, and other terms and conditions of service of, the officers and other employees of the State Commission under sub-section (3) of section 46;
- (o) the form in which the State Commission shall furnish information to the State Government under sub-section (5) of section 70;
- (p) the persons in the consumer mediation cell under sub-section (3) of section 74;
- (q) any other matter which is to be, or may be prescribed, or in respect of which provisions are to be, or may be, made by rules.

Power of
National
Commission
to make
regulations.

103. (1) The National Commission may, with the previous approval of the Central Government, by notification, make regulations not inconsistent with this Act to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may make provisions for—

- (a) the costs for adjournment to be imposed by the District Commission under the second proviso to sub-section (7) of section 38;
- (b) the costs for adjournment to be imposed by the State Commission or the National Commission, as the case may be, under the second proviso to section 52;
- (c) the maintenance of any other information by the consumer mediation cell under sub-section (4) of section 74;
- (d) the manner of submission of quarterly report by consumer mediation cell to the District Commission, the State Commission or the National Commission under sub-section (5) of section 74;
- (e) the qualifications and experience required for empanelment as mediator, the procedure for empanelment, the manner of training empanelled mediators, the fee payable to empanelled mediator, the terms and conditions for empanelment, the code of conduct for empanelled mediators, the grounds on which, and the manner in which, empanelled mediators shall be removed or empanelment shall be cancelled and the other matters relating thereto under sub-section (2) of section 75;

- (f) the conditions for re-empanelment of mediators for another term under sub-section (3) of section 75;
- (g) the other facts to be disclosed by mediators under clause (c) of section 77;
- (h) the time within which, and the manner in which, mediation may be conducted under sub-section (3) of section 79; and
- (i) such other matter for which provision is to be, or may be, made by regulation.

104. (1) The Central Authority may, with the previous approval of the Central Government, by notification, make regulations not inconsistent with this Act, for the purpose of giving effect to the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

- (a) the procedure for engaging experts and professionals and the number of such experts and professionals under sub-section (3) of section 13;
- (b) the procedure for transaction of business and the allocation of business of the Chief Commissioner and Commissioner under sub-section (1) of section 14;
- (c) the form, manner and time within which, inquiries or investigation made by the Director-General shall be submitted to the Central Authority under sub-section (5) of section 15; and
- (d) such other matter for which provision is to be, or may be, made by regulation.

105. (1) Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

Power of
Central
Authority to
make
regulations.

Rules and
regulations to
be laid before
each House of
Parliament.

(2) Every rule made by a State Government under this Act shall be laid as soon as may be after it is made, before the State Legislature.

106. If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as appear to it to be necessary or expedient for removing the difficulty:

Power to
remove
difficulties.

Provided that no such order shall be made after the expiry of a period of two years from the commencement of this Act.

68 of 1986.

107. (1) The Consumer Protection Act, 1986 is hereby repealed.

Repeal and
savings.

(2) Notwithstanding such repeal, anything done or any action taken or purported to have been done or taken under the Act hereby repealed shall, in so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the corresponding provisions of this Act.

(3) The mention of particular matters in sub-section (2) shall not be held to prejudice or affect the general application of section 6 of the General Clauses Act, 1897 with regard to 10 of 1897.
the effect of repeal.

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

New Delhi, the 9th August, 2019

The following Act of Parliament received the assent of the President on the 9th August, 2019, and is hereby re-published for general information:—

**THE PUBLIC PREMISES (EVICTION OF UNAUTHORISED OCCUPANTS)
AMENDMENT ACT, 2019.**

NO. 36 of 2019

An Act further to amend the Public Premises (Eviction of Unauthorised Occupants) Act, 1971.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

1. (1) This Act may be called the Public Premises (Eviction of Unauthorised Occupants) Amendment Act, 2019. Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

40 of 1971.

2. In the Public Premises (Eviction of Unauthorised Occupants) Act, 1971 (hereinafter referred to as the principal Act), in section 2, clause (fa) and clause (fb) shall be renumbered as clause (fb) and (fc) respectively, and before clause (fb) as so renumbered, the following clause shall be inserted, namely:— Amendment of section 2.

'(fa) "residential accommodation occupation" in relation to any public premises means occupation by any person on grant of licence to him to occupy such premises on the basis of an order of allotment for a fixed tenure or for a period he holds office, in accordance with the rules and instructions issued in this regard, made under the authority of the Central Government, a State Government, a Union territory Administration or a statutory authority, as the case may be':.

3. In the principal Act, after section 3A, the following section shall be inserted, namely:— Insertion of new section 3B.

"3B. (1) Notwithstanding anything contained in section 4 or section 5, if the estate officer has information that any person, who was granted residential accommodation occupation, is in unauthorised occupation of the said residential accommodation, he shall— Eviction from residential accommodation.

(a) forthwith issue notice in writing calling upon such person to show cause within a period of three working days why an order of eviction should not be made;

(b) cause the notice to be served by having it affixed on the outer door or some other conspicuous part of the said residential accommodation, and in such other manner as may be prescribed, whereupon the notice shall be deemed to have been served upon such person.

(2) The estate officer shall, after considering the cause, if any, shown by the person on whom the notice is served under sub-section (1) and after making such inquiry as it deems expedient in the circumstances of the case, for reasons to be recorded in writing, make an order of eviction of such person.

(2) The estate officer shall, after considering the cause, if any, shown by the person on whom the notice is served under sub-section (1) and after making such inquiry as it deems expedient in the circumstances of the case, for reasons to be recorded in writing, make an order of eviction of such person.

(3) If the person in unauthorised occupation refuses or fails to comply with the order of eviction referred to in sub-section (2), the estate officer may evict such person from the residential accommodation and take possession thereof and may, for that purpose, use such force as may be necessary.".

Amendment of section 7. 4. In section 7 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

"(3A) If the person in unauthorised occupation of residential accommodation challenges the eviction order passed by the estate officer under sub-section (2) of section 3B in any court, he shall pay damages for every month for the residential accommodation held by him.".

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*

New Delhi, the 9th August, 2019

The following Act of Parliament received the assent of the President on the 9th August, 2019, and is hereby re-published for general information:—

THE SUPREME COURT (NUMBER OF JUDGES) AMENDMENT ACT, 2019.

NO. 37 of 2019

An Act further to amend the Supreme Court (Number of Judges) Act, 1956.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

- | | | |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| 55 of 1956. | 1. This Act may be called the Supreme Court (Number of Judges) Amendment Act, 2019. | Short title. |
| | 2. In section 2 of the Supreme Court (Number of Judges) Act, 1956, for the word "thirty", the word "thirty-three" shall be substituted. | Amendment of section 2. |

DR. G. NARAYANA RAJU,
Secretary to the Government of India.

(Re-published by Order of the Governor)

K. RAVIKUMAR,
*Additional Secretary to Government,
Law Department.*